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ISSUES OF
EUROPEAN STATESMANSHIP

ISSUES OF EUROPEAN STATESMANSHIP

By

B. G. DE MONTGOMERY

Author of

"British and Continental Labor Policy"



NEW YORK
HENRY HOLT AND COMPANY

83350

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PREFACE TO AMERICAN EDITION

It gives me special pleasure to know that, in the opinion of my publisher, there is sufficient interest in European affairs on the other side of the Atlantic to warrant the publication of a revised and enlarged edition of this book. This is all the more gratifying as I firmly believe—and for the reason I have given in Ch. XI—that close co-operation between America and Europe in the interest of humanity as a whole is an essential condition for future peace and stability. For the same reason I cannot but deplore every movement and action which tends to defeat this object.

I think few people realize that at Locarno Europe passed through one of the gravest moments in its history. The Ruhr occupation, the settlement of the Silesian question, the delay in the evacuation of the Cologne zone and the presentation by the Allies of their Disarmament Note had brought the feeling in Germany to such a pitch that the whole nation was in a state of exasperation. Not only was there an immediate danger of the Nationalists gaining the upper hand in Germany, but they might easily have succeeded in throwing the country into the arms of Soviet Rus-

sia. Fortunately this danger has been averted through the Locarno Conference, the signing of the Treaty of Mutual Guarantee, and the subsequent evacuation of the Cologne district, events which considerably relieved the tension in Western and Central Europe.

It would be premature, however, to assume that Europe is yet out of danger. The breakdown at Geneva—although due more to a series of unfortunate circumstances than to a new warlike spirit and schemes of evil nature—was undoubtedly a warning; moreover, the Russian menace, and other serious dangers, are still clouding the European horizon. It requires great skill and courage on the part of European statesmen to tackle the vital issues with which they are now confronted.

PREFACE TO FIRST EDITION

Seldom—if ever—in the history of man has there been a greater need of sound constructive statesmanship than just now. In the glaring lights of the Great War and of an almost continuous social warfare the deep cracks in our civilization have been laid bare. Christianity is rocking under the heavy onslaught of materialism, and, unless the nations of Europe make a firm stand against the powers of evil and destruction operating within them as well as between them, a catastrophe seems unavoidable. It is in apprehension of that danger that this book has been written.

The field of this enquiry is wide, but attention has been concentrated on those problems which are of particular interest with regard to the tendencies and movements of our age.

The object of the Modern State, as distinct from that of the States of earlier periods; the limits to State-interference in political, industrial, and private matters; the rights and duties of the Modern State; the claims to sovereignty for groups and associations; and the question of racial improvement—these are among the subjects considered in the first part of the book.

The second part is concerned with matters of in-

ternational policy. Special importance has been attached to the situation which has arisen out of the establishment of the League of Nations. The Security-problem, the Geneva Protocol, the Treaty of Mutual Assistance, the German Pact proposals, the Rhineland problem, and the question of the Polish frontiers have been examined in detail. In the concluding chapter attention has been called to the dangers which threaten Western civilization to-day and to the big under-currents of European policy.

CONTENTS

CHAPTER	PAGE
I. THEORIES OF THE STATE	3
II. OBJECT OF THE STATE AND LIMITS TO STATE INTERFERENCE	21
III. STATE INTERFERENCE WITH INDUSTRY	40
IV. RACIAL IMPROVEMENT	90
V. LIMITS TO SOVEREIGNTY	99
VI. SOVEREIGNTY AND THE LEAGUE OF NATIONS	114
VII. BEFORE LOCARNO	144
VIII. THE LOCARNO TREATIES	178
IX. THE RUSSIAN MENACE	207
X. NATIONALISM IN EUROPE	230
XI. THE GENEVA DEADLOCK AND AFTER	247
XII. MATERIALISM VERSUS CHRISTIANITY	276
APPENDIX I: THE COVENANT OF THE LEAGUE OF NATIONS	285
APPENDIX II: DRAFT TREATY OF MUTUAL AS- SISTANCE	302
APPENDIX III: PROTOCOL FOR THE PACIFIC SET- TLEMENT OF INTERNATIONAL DISPUTES	313
APPENDIX IV: MEMORANDUM COMMUNICATED ON FEBRUARY 9, 1925, BY THE GERMAN AM- BASSADOR IN PARIS TO M. HERRIOT, PRESIDENT OF THE COUNCIL FOR FOREIGN AFFAIRS	329
APPENDIX V: THE LOCARNO TREATIES	331
INDEX	361

ISSUES OF
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CHAPTER I

THEORIES OF THE STATE

"We aim at a life beautiful without extravagance, and contemplative without unmanliness; wealth is in our eyes a thing not for ostentation but for reasonable use."

Pericles

It may be said about most theories of the State that they have been dominated by some big events or movements of their time. This was not so markedly the case with the theories laid down by the great thinkers of ancient Rome and Greece as with those of later periods. Classical political thought was influenced, naturally, by the political situation and the important events of the age, the *Republic* of Plato reflecting the conditions prevalent in the Greek City States at his time, and the Stoic ideal of a World State being largely the product of Greek and Roman imperialism. But on the whole the great classic writers first of all sought knowledge through observation and experience and were influenced by tendencies and movements less than

4 EUROPEAN STATESMANSHIP

their successors in the Middle Ages and modern times who, more often than not, have formed their theories with a view to realizing some particular purpose.

Thus most political writers of the Middle Ages were influenced strongly by the controversy between the Church and the State, supporting the supremacy of either side by more or less quasi-political arguments and theological doctrines.

Machiavelli was the first to realize that political theory had thus passed into a blind alley. He made a vigorous attempt to drive the theory of the State back to the lines of classical thought; but having a special object in view, he was not content with merely separating the principles of religion from those of politics. His one great ambition was to present a theory which would show his country the way to peace and order. Italy, it must be remembered, was at the time of Machiavelli invaded by foreigners who stirred up unrest and ruined prosperity. This had to be prevented, and Machiavelli saw no other solution than the establishment of a monarchy endowed with autocratic power. He did not shrink from accepting the doctrine that the end justifies the means, and recommended measures which were clearly opposed to religion and the principles of public morality. Thus he not only separated the theory of the State from theology, which was to his credit, but committed the grave error of freeing the

sovereign to a large extent from moral and religious responsibility.

The Protestant Reformation, again, increased the influence of religion on political thought. The separation from the Church of Rome gave many Protestant rulers the chance to strengthen and consolidate their power, and as a result various theories of sovereignty and Divine right, supporting strong monarchy, sprang into prominence. When subsequently the reaction against the strong power of the monarchs set in, theories appeared relating to the sovereignty of the law and the sovereignty of the people. They were based upon the principles of Natural Right and Social Contract.

These are a few examples of the powerful influence of events and movements on political thought during the Middle Ages and early modern times. During the last century Liberalism and Socialism, which have exercised such an enormous influence on political theory, both developed out of the industrial and economic conditions.

Plato in his *Republic* defines the general object of the State as the education and training of the citizens for a virtuous life so that they may thereby reach happiness. The State, he maintains, is essential to the moral development of man. The interests of the individuals must be subordinated to the general interests of the community. All forces of the nation should be united in serving its common welfare; and, in order that the community

6 EUROPEAN STATESMANSHIP

may obtain the greatest benefit, each individual should be employed in accordance with his particular disposition and talents.

Unlike Plato, Aristotle arrived at his theory of the State by carefully investigating and comparing the existing constitutions of various States at different epochs.

The aim of politics, he said, must be to seek the highest of all realizable good. This good is the same for the individual and for the State, yet the good of the State is a greater thing to attain. As to the name of the ideal good, the masses and the men of culture are agreed that it is happiness, but they differ as to its interpretation. The masses generally take it to be pleasure, wealth or fame; whereas the philosophers think that besides these there is an absolute good which is the *cause* of their goodness. This absolute good is happiness because happiness is, unlike honour, pleasure, reason and virtue, never chosen as a means but always as an end in itself. Man can only reach happiness through fulfilling his functions, *i.e.*, by exercising his vital faculties in accordance with the best and most complete excellence or virtue. Happiness in the highest sense is reached by those who have the trained faculty for philosophic speculation and live a contemplative life.

The happy State, said Aristotle, is that which is morally best and which acts rightly; and rightly it cannot act without virtue and wisdom. "The best

life, both for individuals and States, is the life of virtue, *having external goods enough for the performance of good actions*. It is for the sake of the soul that goods external and goods of the body are eligible at all, and all men ought to use them for the sake of the soul, and not the soul for the sake of them."

Constitutions are good or bad according as they promote the common welfare of the community. What particular form of constitution is the best for a nation depends upon the character and conditions of the people to which it applies. On the whole, it is best for a nation when the power of the government lies in the hands of the middle-classes, since these classes are accustomed both to rule and to serve, and are the most moderate and ready to listen to reason. Therefore, a government where the middle-classes are well-represented, is likely to be the best-balanced.

It has sometimes been pointed out as an inconsistency in the teaching of Aristotle that, in spite of the fact that he recognised the welfare of the individual citizens as the final object of the State, he nevertheless, like Socrates and Plato, considered man as a cog-wheel in the machinery of the State. Man is born to be a citizen. If we look closely into the matter, however, we shall find that Aristotle's position was quite logical.

The State, he said, is a creation of Nature which is essential to the moral development of man, and

8 EUROPEAN STATESMANSHIP

the happiness of the individual is the same as that of the State. Therefore man but serves his own interests when serving the State. The administration of justice is one of the functions of the State, and justice is the bond between men.

As a moral philosopher Aristotle stands head and shoulders above all other thinkers of ancient Greece and Rome. With remarkable clear-sightedness he laid down principles which, although criticized and misunderstood for centuries, hold their own to-day; and often in his writings we come across statements and conclusions which in their bearing are strikingly modern.

After Aristotle's time political thought in Greece was dominated by the contrasting schools of the Stoics and the Epicureans.

Stoicism flourished in Greece during the conquests of Alexander and among the Romans during the development of their great Empire. The ideal State pictured by the Stoics knew no limits, but took the form of a World State which comprised all nations and races. It should be the duty of all governments to prepare the ground for the establishment of such a commonwealth.

Although the Stoics recognized the importance of the State for the moral development of man, they did not—like Plato and Aristotle—consider the State as the centre of individual activity. The wise man does not, according to the Stoics, need the State in order to develop in virtue.

The supreme end of life and the highest good is virtue. In a life of virtue we do nothing that is forbidden by the universal Law of Nature, *i.e.*, by the Divine Will. Virtue in itself is sufficient for happiness.

"Make bold to follow Nature," said Marcus Aurelius, "in every word and deed, and let not the unreasoning disapproval of others divert thee from thy purpose. Those who sit in judgment on thee are guided by their individual reason and swayed by individual impulse. On these cast no glance, but go straight on thy way, whithersoever thine own and the universal nature lead, for the path of both is the same."

Even though the Stoics did not believe in an increase of pleasure, and did not take any steps with that object in view, it must not be forgotten that they had a strong and positive wish to lead a virtuous life. Stoicism in a degenerate form may have been characterized by apathy, but not so the true spirit of the Stoics. On the contrary, "idle, aimless action" was considered by them as one of the deadly sins.

To the Stoics the State was not the result of men's conscious actions but a product of Nature. The Epicureans, on the other hand, held the State to be the outcome of agreements between men who desired peace and protection and who sought to put an end to the war of every man against every man. Right is based upon this agreement, and

10 EUROPEAN STATESMANSHIP

there would have been no right had there been no agreement. Crime is not a wrong in itself; it is wrong only because it violates the agreement. Theft in itself is no wrong, but when it is discovered it becomes a criminal act.

Happiness according to Epicurus is synonymous with pleasure, since pleasure is what man desires most. Pleasure is freedom from pain and from trouble of mind. Sensual enjoyments are good only in so far as they secure health of body and tranquillity of mind. The more powerful sensations are not bodily, but mental, for while the former generally are confined to an instant, the mental pleasures or troubles are connected with the past and the future through memory, anxiety and hope. But tranquillity of mind can be attained only through a virtuous life. Therefore virtue is the only safe way to real happiness.

The moral theory of the Epicureans has exercised a great influence on political thought even in modern times. This theory fell into disrepute during the decadence of the Roman Empire, when its view of pleasure as the highest good was misrepresented and perverted into a cult of sensual enjoyments; but in spite of this, and for all the crushing criticism passed on it by Cicero, the creed of Epicureanism was kept alive through the centuries. The Utilitarians, Jeremy Bentham, and the Mills revived its old traditions and developed it into a system of modern philosophy.

It is interesting to see that, whereas the theory of "the greatest happiness of the greatest number" and the famous doctrine of a Social Contract were both products of Epicurean thought, the doctrine of *jus naturæ*, which played such a great part in political thought and jurisprudence during the Middle Ages and the sixteenth and seventeenth centuries, emanated from the ranks of the Stoics.

"True law," says Cicero, "is right reason conformable with Nature, universal, unchangeable, eternal, whose commands urge us to duty, and whose prohibitions restrain us from evil. This law cannot be contradicted by any other law, and is not liable either to derogation or abrogation. Neither the senate nor the people can give us any dispensation for not obeying this universal law of justice. It is not one thing at Rome, and another at Athens; one thing to-day and another to-morrow; but in all times and nations this universal law must for ever reign, eternal and imperishable."

These views were shared largely by the clergy and the jurists in the Middle Ages, who identified the Natural Law with the commandments contained in the Gospels and the Books of Moses. However, St. Thomas Aquinas and, later on, Hugo Grotius, broke with this theory.

Grotius made a distinction between the Divine Law, or the law contained in the Bible, and the Law of Nature. This latter law would prevail even if it were not laid down in the hearts of men

12 EUROPEAN STATESMANSHIP

by God, because it is essential for the maintenance and development of the community. In his work *De Jure Belli ac Pacis* he summarized the following fundamental principles of justice: Respect for the right of property, unconditional fulfilment of agreement, and compensation for causing damage. The enforcement by the State of these principles was a necessary condition for the preservation of peace and order. They must therefore be valid under any circumstances, and not only in the relation between citizens but also between States. On this basis Grotius founded his famous system of international law.

Locke's conception of Natural Law followed that of Grotius. Under the Law of Nature all men possessed equal Natural Rights, *i.e.*, the rights of life, liberty and property. Locke emphasized particularly the last point, for he considered that the right of a citizen to his own possessions was fundamental and the basis of his right to life and liberty.

Hobbes and Spinoza differed from Grotius and Locke in their interpretation of Natural Law.

Hobbes made a distinction between Natural Right and Natural Law. Natural Right was the liberty of every individual so to use his own power, in accordance with his judgment and reason, as to serve best the preservation of his existence. Natural Law, on the other hand, was a general rule evolved by reason, forbidding any actions which

might be injurious to this preservation. This law was based, not on moral considerations, but on self-interest and expediency. Morality was merely the product of experience with regard to the utility or non-utility of certain actions. Thus Hobbes was fundamentally a materialist, and, in spite of his using the Stoic terminology, he was more an Epicurean or Hedonist than a Stoic.

Spinoza took up a similar attitude but went still a step further. By Natural Right he understood the power of Nature itself. Natural Right extended to the limits of natural power. Whatever an individual thought useful for himself—whether led by sound reason or impelled by passion—he had sovereign right to seek and to take for himself as he best could, whether by force, cunning, entreaty, or any other means. This, again, was Epicureanism carried to an extreme.

The doctrine of *jus naturæ* was accepted generally by political writers of the seventeenth and eighteenth centuries and exercised a great influence on jurisprudence—not least in England, where it became the practice to establish Common Law, as distinct from Statutory Law, by the decisions of the Law Courts in accordance with natural justice. This practice, of course, has the great advantage that it makes the law fit perfectly the circumstances and conditions of the times. But it would not suit all nations. It requires qualifications in the judges which few races are capable of producing.

14 EUROPEAN STATESMANSHIP

T. H. Green revived the principle of *jus naturæ*. It is interesting to see that he came much closer to the original Stoic theory than most writers of the seventeenth and eighteenth centuries. He made a distinction between the rights actually maintained by legal force and the Natural Rights which are perfect and further action from the highest motives: "There is a system of rights and obligations which *should be* maintained by law, whether it is so or not, and which may properly be called natural; not in the sense in which the term 'natural' would imply that such a system ever did exist or could exist independently of force exercised by society over individuals, but natural because necessary to the end which it is the vocation of human society to realize."

It should be the duty of the legislator to bring the laws of the country as close to the *jus naturæ* as possible.

Thus Green has in fact brought us back to our point of departure, the Stoic theory of the State.

The theory of Social Contract and the Utilitarian theory of *summum bonum* are both essentially Epicurean in their origin, although in course of time they have been mixed up with Stoic principles—the former with the doctrine of *jus naturæ* and the latter with the Stoic (and Christian) principles of morality.

As regards the object of the State, the theory of Social Contract developed by Rousseau gives no

other answer than that of the Epicureans, namely that men made a covenant to set up a common power with the object of maintaining peace and protection against the condition of *bellum omnium inter omnes*.

On the other hand, the principles of *la volonté générale* which Rousseau coupled with his theory of Social Contract offer several interesting points,

"It is often a difference," he says, "between the will of all and the 'general will'; the former regards private interests and is merely a sum of particular will, whereas the 'general will' only regards the common interest.

"What generalizes the will is less the number of votes than the common interest which unites them. In a perfect legislation the particular or individual will should be null; the will of the Government as a body should be very subordinate; and consequently the general or sovereign will should dominate and rule alone over all others."

The mere fact that Rousseau laid more stress upon the question of realizing the will of the people than upon the problem of attaining the final end is in itself interesting enough. Had he been content with declaring that the object of the State should be to realize the "general will" of the people as against the will of factions, his theory would have held good at the present day. But he tried to combine the doctrine of "general will" with the doctrine of maximum welfare to the community,

and in so doing he committed a double mistake. Firstly, he attributed to the term "general will" a meaning which is entirely fictitious; and, secondly, he identified a nation with its living generations only, leaving entirely out of consideration past and future generations.

The theory of Social Contract and Rousseau's theory of a "general will" did not live long. But the Utilitarian theory, which was also a product of Epicurean thought, had its representatives practically all through the nineteenth century.

The principle of "the greatest happiness of the greatest number" was not really a Utilitarian invention. It was already foreshadowed by the Epicureans, moulded into the theory of Natural Rights by William of Ockham under the name of *communis utilitas*, and used by Richard Cumberland in his work, *De Legibus Naturæ*. It was given its above definition by Francis Hutcheson in his *Inquiry into the Moral Good and Evil*, published in 1725.

The principle was taken up by Jeremy Bentham and formed the nucleus of his theory of legislation.

"That which is conformable to the utility, or the interest of a community, is what tends to augment the total sum of the happiness of the individuals that compose it." Bentham ridiculed the idea of a Social Contract forming the basis of the State and denied the existence of a Law of Nature. The State, he maintained, had come into existence

gradually as a natural result of its utility for the individuals composing it. "It is with government as with medicine," he says; "its only business is a choice of evils. Every law is an evil, for every law is infraction of liberty. Government has but the choice of evils." These views were shared a hundred years later by Spencer, who went so far as to maintain that the preservation of peace and order was the only proper function of government.

The Utilitarian philosophy developed hand in hand with Liberalism and was influenced largely by the epoch-making theories of political economy expounded by Adam Smith and Ricardo. Besides Bentham its chief champions were James Mill, John Austin, who applied it to problems of jurisprudence, and John Stuart Mill, the greatest of the Utilitarians.

"The sole end," says J. S. Mill, "for which mankind are warranted, individually or collectively, in interfering with the liberty of action of any of their number, is self-protection. The only purpose for which power can be rightfully exercised over any member of a civilized community, against his will, is to prevent harm to others. His own good, either physical or moral, is not a sufficient warrant." It would appear from reading this passage that Mill was entirely in agreement with Bentham's negative views as regarded legislation, and that he went even as far as Spencer in this respect. But he did not. He recognized the important fact that

18 EUROPEAN STATESMANSHIP

State-interference and legislation, even in cases where the object thereof was not protection, did not necessarily mean an infringement of individual liberty. Thus the maintenance by law of a certain standard of education, sanitation, etc., did not infringe liberty, but was to be regarded merely as a means of assisting the individuals. On this point, clearly, Mill differed from Bentham, who considered every form of State-interference an evil and an infraction of liberty. On the other hand, Mill emphatically denounced State-interference with the personal conduct of individuals in so far as their actions concerned no persons other than themselves. "The strongest of all arguments against the interference of the public with purely personal conduct is that, when it does interfere, the odds are that it interferes wrongly, and in the wrong place." Mill drew attention to the danger of any increase in the power of government. "Every function super-added to those already exercised by government," he said, "causes its influence over hopes and fears to be more widely diffused, and converts more and more the active and ambitious part of the public into hangers-on of the Government, or of some party which aims at becoming the Government."

Mill was the last of the great Utilitarians, and also the last eminent writer who considered the State merely as the servant of the citizens, without any object save that of promoting the well-being of its individuals. In this respect the Utilitarians be-

longed to the same School of Thought as the adherents of the doctrines of Natural Right and Social Contract; as Locke, Montesquieu and Rousseau, who considered the State mainly as the defender of liberty; and as Spencer, who viewed the State as the preserver of justice; for none of them recognized that the State has an independent purpose of its own.

This was done for the first time since the days of Greek philosophy by the Historical School, for which Hegel, and also to some extent Burke, had prepared the way. Savigny, the intellectual leader of this school, maintained that "the State does not exist for the purposes of men, and is not governed by laws of their devising, but by the cosmic force above. Laws are found, not made; the force preparing the future is the same that made the past."

The modern representatives of this school, who have profited by the evolutionary theories of Comte, Spencer and Darwin, view the State as an organism with its own life, not merely as a conglomeration of individuals. "According to the rules of organic life," says Rudolf Kjellén, "the State is something quite different from the sum of its constituents. It is a servant, but to its own personality. To develop the innate disposition and character of the nation must be the object of the State; real happiness will then come forth by itself."

An extreme form of this theory is the nationalist

20 EUROPEAN STATESMANSHIP

theory of the State, which emanated in the ranks of German imperialists before the War. According to this theory the State is everything. Not only are the interests of the individuals subordinate to those of the State, but the individual is created merely for the purpose of serving the interests of the State.

It does not fall within the scope of my present purpose to make any detailed comments on the various theories, which I have here noticed briefly, in order to gain a general survey.

The modern theories of political thought, with which I am directly concerned, will be referred to in the following chapters in connection with the analysis of the limits to State-interference and sovereignty.

CHAPTER II

OBJECT OF THE STATE AND LIMITS TO STATE INTERFERENCE

"The Legislator ought never to impose a burden except for the purpose of conferring a benefit of a clearly greater value."
Jeremy Bentham

Writers of modern times, such as Spencer and Nietzsche, have ridiculed the idea of a general State object. In particular, the Utilitarian theories summed up in the doctrine of "the greatest happiness of the greatest number" have been subjected to their assaults.

Thus Spencer maintained that "this canon of social morality assumed mankind to be unanimous in their conception of greatest happiness. But the minds of no two individuals contain the same combination of elements. There is in each a different balance of desires. Therefore the conditions adapted for the highest enjoyment of one would not perfectly compass the same end for any other. And consequently the notion of happiness must vary with the disposition and character: that is, must vary indefinitely."

A similar attitude was taken by Nietzsche. "All

the systems of morals which address themselves to individuals with a view to their happiness are grotesque and absurd in their form, because they address themselves to all, because they generalize where generalization is not authorized; all of them speak unconditionally, and regard themselves unconditionally."

It may be said about these critics that they are both right and wrong. They are right in emphasizing the danger of creating systems of morals by general principles and doctrines.

When expounding a theory of the State it is essential to penetrate to the very root of its problems. Yet we must be careful not to plunge too deeply into bottomless inquiries and get drowned in the quagmire of metaphysics. Theorizing upon the problems of happiness, utility, and *summum bonum* for individuals and States may lead to interesting and entertaining discussions, but speculations of that kind should not be made the principal point of a study analyzing the object or aim of the State and of government-interference in the life and conditions of the individual. For this purpose we must keep clearly in mind the actual state of things, and, after an excursion into the domain of metaphysics, always return to the field of reality.

But Spencer and Nietzsche are undoubtedly wrong in denying the fact that the State has a general object. The moral and material welfare of the community must be the object of the State,

however much people may differ as to what ought to be meant thereby, and what the methods for its realization should be. Any other view would lead to the absurd conclusion that a government would have the right to inflict hardships upon the citizens and drain them in order to further its private interests. Moreover, the nature of the State-object must be rational. Indeed, a community of pirates or brigands, for instance, could not be considered as a State at all in the proper sense of the word, since its object is immoral and opposed to law and order.

But it is clear that the above definition of the State-object cannot serve as the basis of a particular theory, being too general in its implications. To try to deduce a theory from a detailed examination of such an object would be to commit over again the mistake of the Utilitarians, who, singling out the principle of happiness, derive their whole theory from a study thereof. In fact we could no more build up a theory of the State upon a general definition of the State-object than we could compose a musical symphony merely because we know the rules of counterpoint and harmony, which are general rules applying to all music. The knowledge of these rules is essential, but the symphony is the work of the composer's talent and imagination. In the same way, a general definition of the State-object is essential for the development of a theory of the State, but what gives each theory its dis-

tinctive character is the meaning we give this definition. Unless a theory be in direct disagreement with the general definition (within which there is ample room for varying interpretations as regards individual political persuasion or the special conditions of a nation) we have no right to denounce it as wrong. We may say with the Stoics that the welfare of the community is best served by the promotion of virtue; we may say with Rousseau that it means the realization of the general will; with Locke, that it means the protection of individual liberty; with Spencer, that it means the maintenance of justice; or with the Historical School, that the first consideration should be the interests of the nation as an independent organism. All of these interpretations are more or less justified and reasonable; they are only different aspects of the same problem. But none of them may be generalized in such a way as to imply that this or that is under all circumstances the one and only means of serving the common good of the community. Any such theory is untenable.

Jellinek makes three general divisions of the object of the State: firstly, with regard to the individual citizens; secondly, with regard to the interests of the nation as such; and, thirdly, with regard to humanity as a whole.

It is, of course, possible that the interests of the individuals, or the nation as a whole, and of humanity, may be conflicting. What, in such a case,

should be the attitude of the State? Should the interests of the nation as a whole take precedence over those of the individuals (of the present generation) composing it? Or, in a case where the interests of a nation clash with those of humanity as a whole, whose interests should be considered first? It is no good assuming that the interests of the individuals, of a particular nation, and of humanity as a whole must always coincide. There are examples enough to show that very often this is not the case. Therefore every instance must be judged on its own merits. It is left to the government in power to decide according to its own judgment at the time which alternative should be chosen in each particular case. It is a question of equilibrium, and as such it cannot be decided with regard to the interests of one party only. The interests of the individuals, the nation and humanity are combined, and a displacement of the balance in favour of one immediately reacts upon the others, either promoting or injuring their interests.

On the whole the right policy of a government consists in promoting the welfare of all parties concerned by maintaining a state of equilibrium, subordinating if necessary the interests of the individuals to the interests of the nation, or the interests of the nation to the welfare of humanity as a whole. Further, we must remember that moral considerations may compel a government to depart from the general rule of considering in

the first instance the welfare of the community and the individuals composing it. This exception will be exemplified in a subsequent chapter.*

We might distinguish between two main branches of State-activity: (1) that which has in view the direct promotion of the moral, physical, and economic development of the community, and (2) that which is concerned with the maintenance of justice, and the internal and external security of the nation.

The necessity of State-interference in order to maintain law and order is more easily discerned and more obvious than is the need of interference in the moral and economic life of the citizens. Moreover, the activity of the State in this latter respect has very often proved a failure, because of the difficulty of adapting the cumbersome machinery of the State to suit the multifarious conditions of individual activity.

For these reasons many writers have been led to the conclusion that the maintenance of justice and security are the only proper functions of the State. But this, of course, is going to extremes. We are justified only in saying that the State, when interfering directly with the economic and moral conditions of the people, must proceed with the greatest caution in order that it should not by these measures cause more harm than good.

The State, of course, cannot directly create

* Ch. v, p. 101.

either religion or morality. It can only influence the community indirectly in this respect through supporting the Church, maintaining a general standard of decency, regulating the conditions under which people live and carry on their work, suppressing immoral literature, etc. Neither can the State directly produce health and physical development; it can only promote these conditions by sanitary regulations and by facilitating physical training. Similarly, the State cannot directly call forth works of art and science, though it can greatly facilitate individual efforts by the establishment of schools and academies, libraries and museums, and by financial assistance. Even compulsory measures may be of value and are sometimes, as in the case of education, indispensable for intellectual development.

But the State must be careful not to exceed the natural limit of its capacity. In so doing the probability is that it will check, instead of promote, progress. The situations which have arisen in various countries as a result of prohibiting the production and sale of intoxicating liquors give a good illustration of this point.

One of the most striking examples is offered by Norway. After the passing of the Prohibition Law imports of "hot wines" were stopped. This meant a severe rebuff to Spanish and Portuguese wine merchants, and their respective Governments decided to protect their interests. Accordingly,

they threatened to stop all imports of Norwegian fish to their countries if the Norwegian Government persisted in its attitude. As the Peninsula is one of the best customers of Norway its Government, after long diplomatic negotiations, decided to give way. Thus the Prohibition Law had placed the country in the awkward position of having to accept the decision of other nations in a matter of internal policy.

The fear of intemperance again found vent when a Norwegian customs-cruiser, chasing a motor-boat, which was presumed to carry liquor on board, shot the crew dead. Eventually no liquor was found. A similar incident has taken place in Finland.

It is a characteristic feature of Prohibition that it does not always lead to the realization of the purposes for which it was introduced—neither to a decrease in the consumption of intoxicating drinks, nor to an increase in morality. On the contrary, Prohibition seems to produce the opposite effect.

In Finland, which is nominally a "dry" country, the convictions for drunkenness in 1923 were more than three times as many as in the much larger Sweden, where there is no Prohibition but only a system of moderate rationing. Moreover, in Finland liquors are sold in contravention of the law in practically all hotels and restaurants of any size. In the United States Prohibition has not only led to illicit distilling, but also to an enormous increase

in the drug-traffic—a far more serious evil than intemperance.

There is another situation arising out of Prohibition in America which calls for special attention. According to the so-called "Rum Treaty" British vessels arriving in American ports have the right to carry supplies of liquors sufficient for the return voyage. For this reason many passengers to and from Europe prefer to travel by British ships, and the American shipping companies have in this way lost a great portion of their traffic. Nor is this all: many American vessels have actually been transferred to the British flag, in order to enjoy the special privileges granted to British ships.

These are a few examples of State-interference, intended to promote morality, but misdirected. We have seen not only that measures taken by various governments in order to promote temperance have resulted in failure, but that they have actually exposed their countries to evils which are far more serious than those which they were intended to remedy. The legislators have gone dead against Bentham's principle that "the legislator ought never to impose a burden except for the purpose of conferring a benefit of a clearly greater value."

The most serious consequence of the Prohibition Laws is the fact that the States concerned have ventured to stretch their power beyond the limits of their capacity, thus unintentionally inducing people to break the law. This inevitably tends to

30 EUROPEAN STATESMANSHIP

lower the respect for law in general and thereby to undermine the foundations of society.

It may be laid down as a general principle that a government should not interfere with the morality of the individual unless it can clearly foresee the results of such interference.

The organization of a modern community is dependent upon an immense variety of conditions—economic and political, geographical, geological and ethnological; upon religion, will and reason; upon historical development; and upon customs, habits, fashions, sentiments, general tendencies, etc. Most of these conditions and phases of human activity and thought are interdependent and react upon each other. To use a common comparison, the system is like the human organism; abnormal disturbances affect the whole system just as an illness causes physical and mental depression. And, just as the human body after an illness tends to return to normal health, so the system of a modern community, after a disturbance in one direction or another, tends to return to normal conditions, to what may be called the state of *social equilibrium*.

In normal times the community is kept in a position of stable equilibrium by the economic, physical and mental laws of society. In abnormal times, such as those of war or revolution, the community is in a state of unstable equilibrium. Immediately the disturbing forces cease to act, the community again tends to assume a position

of stable equilibrium. During the war the demand for goods increases enormously; production is concentrated on war-materials, and as a result there is a general shortage of other products, intensified by the fact that great numbers of producers are serving with the forces. On the cessation of hostilities this artificial system collapses and the industrial life tends to return to normal conditions. This return may take a considerable time, and, as we know, the trade-depression and widespread unemployment preceding it cause great hardship to the people.

Obviously the displacement of the social equilibrium might be of such a nature as to render a complete return impossible, just as complete recovery might be impossible for a person permanently disabled through an accident; but experience has proved that those forces which are called upon to restore equilibrium are very powerful and almost irresistible. Disturbances are often dearly bought, and readjustment invariably inflicts great hardship on the population. It is therefore essential to all sound policy that all acts which might throw society out of its state of equilibrium should be avoided.

A government is always liable to cause a reaction when it interferes with the economic laws of society. Whatever measures are taken, these laws remain immutable; and interference with them will sooner or later produce a reaction. This was admirably

illustrated by the result of government-interference during the War, when, for instance, the fixing of maximum-prices, involving an infringement of the laws of free pricing, resulted in the wholesale disappearance from the market of the goods affected by those prices. Instead of producing the intended result of facilitating the acquisition of certain goods, the fixing of maximum-prices actually brought about the opposite effect, namely, a shortage of these goods.

Another striking example of the danger of interfering with the economic laws of society is afforded by the situation which arose in Switzerland as a result of the proposal to introduce a capital-levy. This proposal was made by the Socialist Party in the General Assembly for the purpose of enabling the Cantons and municipalities to fulfil their *tâches sociales*. According to the laws of the Confederation it had to be subjected to a General Referendum.

Pending the result of this Referendum the electors began to realize the disastrous consequences such a law would involve. People threw their shares on the market to an unheard-of extent, and huge amounts of capital were transferred to France and the United States. From September 25th to October 15th, 1922, industrial shares fell on an average $7\frac{3}{4}$ per cent., and first-class bonds $6\frac{3}{4}$ per cent. The number of people who converted their securities into money was so great that in one week

the total value of bank-notes released by the Swiss National Bank rose from sixty-million francs to one-hundred-and-fifty-millions. On the Stock Exchanges the feeling of insecurity amounted almost to panic.

The situation was all the more serious because the Swiss industries were already suffering from the general trade-depression. Fortunately the proposal was rejected by a crushing majority.

That the mere threat of imposing a capital-levy could cause such a tumult in the whole financial system of a country is most instructive, and gives a foretaste of what might have happened had the law been carried.

The further the community is removed from the state of stable equilibrium the more serious will be the consequences and the greater the sufferings of the people before normal conditions are once more established. A statesman with any feeling of responsibility would never take the risk of carrying a measure which might throw the community out of its normal adjustment. He might not argue in this way but would merely scent the danger. This incidentally explains the fact that very often Socialists in responsible positions take no steps to carry out the schemes of theoretical socialism that they have advocated formerly. They may not have realized the difficulties before, but they feel them acutely when they are in office.

This is what actually happened to the Labour Government in England and to the Socialist

34 EUROPEAN STATESMANSHIP

Governments in Sweden, Denmark, and other countries. In Russia, Finland, Germany, and Italy, on the other hand, the Socialists carried laws or committed acts which wholly or partly displaced the national equilibrium.

As we know, the whole social system in Russia collapsed at the Revolution, and for eight years the population has suffered under a rule of horror and despotism which far exceeds anything under the Czarist régime; and there is hardly yet much hope of better times.

The German Government never went so far as the Russian, and consequently the effects of the Socialist enactments were not so serious in Germany as in Russia. But they caused considerable damage and had to be repealed one after another before more stable conditions were established.

In Finland and in Italy the Socialist, or rather Communist, rule came to a sudden end. The situation developed much on the same lines in both countries. The characteristic stages were: proclamation of State-ownership of industry; the taking over by the workers of factories and workshops (in Italy this came first); complete chaos and murder in large numbers of the supporters of social order; dawn of reaction and civil war; cruelties on both sides; reaction triumphant; severe punishment of the revolutionaries; social order re-established; the middle-class minority turned into an overwhelming majority.

This course of events is instructive. It shows how the community, after being thrown out of its equilibrium, oscillated to and fro, each movement causing great hardship to the population. The result of it all was that social order was established on an even firmer footing than before. It is a good lesson to the disturbing elements of all nations.

It is interesting to see how, in fact, it was the bad statesmanship and weakness of the Government which caused the serious turn of the Italian crises. Here is one instance among many. In February, 1920, after a strike of 40 days, the workers in the Mazzoni cotton-mills of Piedmont forced their way into the factories, accompanied by representatives of the National Union of Textile Workers. They seized 300,000 *lire* from the office, hoisted the red flag, and sent a telegram to the Minister of Commerce informing him of the workers' decision to take over the management of the factories and to exclude the owners from profits and indeed from any connection with the business. The National Union declared that they took all the responsibility for these measures, and that any attempt by the authorities to prevent them would be met with the declaration of a general strike all over Italy. Moreover, they urged the Government to see that the supply of raw materials necessary for the factories would be maintained.

The answer of the Government was to order the police not to interfere with the workers, and on

March 3rd it requisitioned the factories, leaving the workers in control of them.

After this first experiment in nationalization the Communist workers in other trades became bolder, and one after another of the factories and the large estates were taken over by force. In a very short time the whole of Italian industry was paralyzed, and as a result of the consequent shortage of goods famine and epidemics began to rage. It was at this critical moment that the Fascists under Mussolini's leadership intervened and saved the country from the horrors of a Bolshevik rule. Social equilibrium was re-established.

In view of the extremely low degree of civilization in Russia we could hardly estimate the possibilities of general nationalization in civilized communities entirely by the results achieved in that country. But it cannot be denied that the horrible experience of the Russian people is a very discouraging example. Moreover, we have now seen sufficient examples even in countries of Western civilization to know the impracticability of Socialist legislation and interference with private ownership, whether in the form of nationalization, or confiscation of property by means of excessive taxation.

All such interference inevitably leads to a disturbance of the social equilibrium, because it compels certain groups of citizens to take justice into their own hands in order to protect themselves

and their property against injustice committed by the government, and because it violates the economic laws of society, thereby upsetting the balance of the whole industrial system.

There is no doubt that the power of Parliament has increased and will increase still more in the future. This is an essential condition for the development of the community in keeping with the growth of the population, and for the protection of the individual against the onslaught of factions and associations. We must remember that increasing State-interference need not necessarily mean an intrusion upon individual liberty, but, on the contrary, might, and should, aim at an increase thereof, either directly or indirectly, by affording special facilities or removing obstacles. It is only natural that the limits to State-interference should be extended as the population grows and the whole social and economic machinery of the community develops. It may be possible, of course, to relieve the central government of some of its burden by placing a greater share of domestic policy on the local governments; but the fact remains that State-interference, whatever may be the executive body, has to be extended more and more.

This process must not be impeded by artificial measures, which would only prevent development. But, as we have seen, it is of vital importance that it should not be extended beyond its proper limits

by concessions to the socialist claims regarding ownership and taxation.

We are now in a position to define the object of the State and lay down the general limits to State-interference.

The general object of the State is to promote the moral and material welfare of the nation it represents. This principle is subject to the following reservations:

A nation does not consist of the present generation only. Past and future generations form important parts thereof and have a just claim, the former to reverence and tradition, the latter to consideration of the future welfare of the community. The State, therefore, has to safeguard these claims, since it is the representative of the nation, not of the present generation only.

The State must take into consideration the interests of humanity as a whole.

Moral considerations may compel a government to depart from the principle of promoting in the first instance the welfare of the nation.

There is no general answer to the question of preference in a case where the interests of the present generation, of future generations, and of humanity as a whole, are conflicting. This is a problem of equilibrium and as such cannot be decided with regard to the interests of one party or another party. The problem must be considered in its entirety, since the interests of the present generation, future generations and humanity

are indissolubly combined, and a displacement of the equilibrium in favour of one, immediately reacts upon the others, either promoting or injuring their interests.

In normal times the community is kept in a state of social equilibrium by the economic, physical and mental laws of society. Those forces which are called upon to restore equilibrium after a disturbance thereof are very powerful and almost irresistible. Such a disturbance invariably inflicts great hardship on the population, and it is important, therefore, that all acts which might upset the balance of society should be avoided.

The limits to the activity of the State are first of all those fixed by its power and capacity. These are the only limits which are absolutely fixed. Moral considerations, regard to the interests of humanity as a whole, and the necessity of maintaining social equilibrium, should determine the other limits to the activity of the State. These limits partly coincide with the limits of power and are sometimes hard to distinguish in practice. It is a matter of statesmanship, of reason as well as intuition, to adapt the policy of a country to those limits. Within them a government or a party has the free choice of methods for serving the common good of the nation in accordance with their political persuasion. Whether or not, within this sphere, their methods and ideas are right is a matter of opinion on which history alone is a competent judge.

CHAPTER III*

STATE INTERFERENCE WITH INDUSTRY

"That which is common to the greatest number has the least care bestowed upon it."

Aristotle

I. INDUSTRIAL OWNERSHIP

The Socialist doctrine that the community collectively should be the owner and regulator of the means of production and exchange is based, on the one hand, upon the moral principle (which, as we shall see presently, is only fictitious †) that wealth ought to be distributed equally among all citizens; and, on the other hand, upon the economic principle that the industrial order of society should be entirely transformed. But both these principles are, in their turn, based upon the assumption, not always clearly expressed, that the efficiency of production under the new industrial order will be sufficient to raise the standard of living of the working-classes. Naturally the Socialist theory stands or falls on this assumption, because, if it can

* Portions of this chapter have appeared previously in *British and Continental Labour Policy*.

† Cp. v, pp. 102-5.

be proved that under the new industrial order it will be possible to raise the standard of living of the workers, there might be some justification for nationalization; but if, on the other hand, it can be shown that general nationalization must inevitably lead to a deterioration in the living-conditions not only of society as a whole, but also of those very classes which advocate the measure, it cannot be justifiable either morally or economically.

It is a fact which is often overlooked that the general problem of nationalization, *i.e.*, the taking over by the community of all the means of production and exchange, is essentially quite a different problem from the special problem of nationalizing particular industries. This difference is not only one of degree; the underlying principles of the two problems are entirely different. A general nationalization of the means of production and exchange demands the complete abolition, not only of the wage-system but of the whole existing system of industrial distribution. On the other hand, the nationalization of certain particular industries has to be accomplished under the present economic order. This difference is of great importance because, if one does not regard the complex problem of nationalization from these two aspects, it is impossible to draw any clear conclusion as to the possible efficiency of nationalized industries. If it were proved, for instance, that the efficiency of a certain industry would be increased by nationaliza-

tion, how would this affect the problem of nationalization as a whole? It would prove neither that general nationalization would improve the efficiency of industry as a whole, nor even that the efficiency of the particular industry concerned would be equally high under a system of general nationalization in which the present machinery of supply and demand had been abolished.

A. GENERAL NATIONALIZATION

One of the catch-phrases by which the Socialists recommend general nationalization is "production for profit must be abolished and replaced by production for use." Obviously the fact is overlooked that the organization of industry for profit is also, in an eminent degree, an organization for use. The fixing of prices is the method by which industry is regulated automatically in the most convenient manner, *i.e.*, in a way that will satisfy the needs and wishes of the community in proportion to the urgency of the demand.

I will try to explain this. Prices are fixed by, yet at the same time regulate, supply and demand. It must be remembered, however, that supply and demand are no fixed quantities but are subject to variations in consequence of fluctuations in human tastes, fashions, likes and dislikes, customs, etc. The prices therefore depend ultimately upon all

these factors. Their function is to balance supply and demand, *i.e.*, the price of goods are fixed just so high that the supply of these goods satisfies the demand. Only those who are willing to pay the prices can have the goods; whereas those who find the prices too high and wish to buy something else—to them possibly more necessary—have to refrain from buying the goods. In this way enough people are discouraged to make it possible for the supply to meet the demand.

When—because they become more necessary or otherwise more sought after—the demand for certain goods increases and temporarily exceeds the supply, their price goes up. The sooner an employer can employ his capital for the production of goods for which the demand has increased, the greater will be the profits he can make, because the more the demand for the time being exceeds the supply, the more will the prices for which he can sell his goods exceed the cost of production, and the higher will be the margin of profit. In this way capital, as well as labour, is attracted automatically to the production of those goods for which at the moment the demand is greatest; and the whole of industry is directed primarily to the production of those goods which the community desires most. This useful and extremely efficient system is based upon the struggle of individual enterprises for profit. The first problem to be solved in a new industrial order, established for use only, would be

to find a method by which industry as a whole could be regulated for the purpose of satisfying human needs. This is a problem which the advocates of general nationalization have not as yet been able to solve.

Is it possible that, in the event of general nationalization, the profit of the different nationalized industries could be substituted for privately-earned profit as a stimulus of initiative and a means of regulating industrial distribution? The answer is *no*, because competition would be entirely non-existent in nationalized industries. They would have complete control of the market and could therefore decide which article should give them the highest profit. It is not at all certain that this supply would correspond to the real needs of the people. Take, for instance, the case of an industry producing indispensable articles of food. As in this case the elasticity of demand is very low, a restriction of the supply would raise prices far above the cost of production. Consequently the profits of the industry would increase; but the needs of the people would not be satisfied.

There remains, then, the alternative proposal that either each enterprise or the central organization of industry should determine the quantity of goods to be produced by the different industries. The automatic working of the present system for regulating production would in this way be replaced by a system based upon the judgment of cer-

tain individuals. Their personal estimate of human needs and wishes would become the ultimate guide in production. This would put the consumer in a very precarious position, for the satisfaction of his needs (in the way in which he desired that they should be satisfied), or their non-satisfaction, would depend upon the arbitrary decision of the industrial leaders. Even if, as has often been suggested, the consumers were represented on the committees directing industry, matters would not be improved to any great extent, because it would be impossible for the few representatives of the consuming class to estimate the detailed needs of the general body of consumers. There is no doubt that in this way the real interests of the consumers would be neglected, or, at any rate, inadequately represented. It would not be possible to estimate production so as to meet the needs of the people; in some industries the volume of production would be too large, and in others too small, for the satisfaction of all the many and varied human needs. Therefore general nationalization would mean a terrible waste of productive power.

There are certain economists who have ventured to assert that the present price-system might remain and govern production even in a Socialist society. It is supposed that this could be done by retaining the individual's liberty of work and his freedom in disposing of his income (derived from labour). It is easy to show that this assumption is

false. Take the case that the demand for certain goods increases. During private ownership industry is then immediately, through the individual's struggle for profit, directed upon an increased production of those goods. In a Socialist society that incitement does not exist. On the contrary, there must always be a tendency in the opposite direction, because the workers in that particular trade will no doubt use the fluctuations in prices in order to exact higher wages. The majority of the management and manual workers being united in these efforts, they will certainly gain the upper hand and seriously injure the interests of the consumers, even if these latter, as in Guild-Socialism, should be represented on the management-committees. It is clear that this must spoil all prospects of economic development, and deprive the price-system of its power of regulating industrial distribution.

The realization of any general scheme of nationalization is incompatible with private ownership. Even if the State were to effect nationalization by means of purchase there would remain no private property because, to enable a State to purchase the whole production, it would be necessary to confiscate by taxation all private wealth. The amount paid to employers for their business, to landowners for their land, or to shareholders for their shares, would suffice only to pay their taxes, and no private property would remain.

There is one more factor which is of vital im-

portance in forming an opinion on the problem of general nationalization, and this is the question of saving. This point is overlooked very often by the advocates of nationalization. The population of most modern communities is increasing steadily. Therefore, if the wealth of the country does not increase in the same proportion, the community is bound to be gradually impoverished, and fortunes as well as wages will be reduced. It is the function of saving to increase wealth at least in proportion with the increase in population.

The abolition of private property in the Socialist community means the abolition also of private thrift and, consequently, the reduction of capitalization. Whether capitalization can or cannot exist at all in the Socialist community is largely a question of wages. If the workers are able to force up their wages so as to absorb the profits of production, all saving will be made impossible, and by increasing population the community will gradually be impoverished. There is no doubt that the workers, in their struggle for higher wages, will always combine against the body which controls industry, though the latter represents them; it is also more than probable that they will gain the upper hand—that is, of course, unless the controlling body is endowed with autocratic powers.

It must be remembered that of the profits made by private persons under the present industrial system a large percentage goes to the building up

of new capital and to the starting of new undertakings and industries, and that it thereby increases the demand for labour. The increasing population finds employment in these enterprises, and the greater the saving the greater the demand for labour and the higher the wages. In this way the workers share the advantages of capitalization. It is often overlooked that only a very small part of the profits made by private employers and capitalists is consumed, *i.e.*, rendered useless for the working-classes. "All that the millionaire can get out of life," said Mr. Carnegie, "is superior food, raiment and shelter. Only a small, a very small, percentage of all his millions can be absolutely wasted."

It is impossible to deny the fact established by experience as well as by theory, that the workers ultimately benefit by the savings of the capitalists. We need only look at the improvement in the standard of living of manual workers which was the result of the economic development during the last century. The income of the United Kingdom increased from an average of 515 millions for the years 1835-1840 to 646 millions in 1851; 1,270 millions in 1883; 1,710 millions in 1904; and 2,165 millions in 1913. During the same years the aggregate wages increased from 171 millions to 242, 550, 655 and 770 millions respectively; and from 1850 to 1904 the purchasing-power of the wage-earners was doubled.

It is interesting to see that this development was anticipated already by Macaulay in his *History of England*. "It may well be," he says, "in the twentieth century, that the peasant of Dorsetshire may think himself miserably paid with fifteen shillings a week; that the carpenter at Greenwich may receive ten shillings a day; that labouring men may be as little used to live without meat as they are now to eat rye bread; that sanitary police and medical discoveries may have added several more years to the average length of human life; that numerous comforts and luxuries which are now unknown, or confined to a few, may be within the reach of every diligent and thrifty working man. *And yet it may be the mode to assert that the increase of wealth and the progress of science have benefited the few at the expense of the many.*" *

In arriving at an opinion about the capitalist system it is of the greatest importance to consider the result of the industrial development during the nineteenth century. On the one hand, it shows that many of the evils attaching to industrialism during its early stage of development were by no means necessary consequences of the system, and on the other hand it proves that the wage-earning class shares largely the economic advantages of capitalism. Professor Bowley's investigations into the distribution of the national income during the period 1880-1913 prove also that the increase in

* The italics are mine.

50 EUROPEAN STATESMANSHIP

the national income was shared with remarkable equality among the various economic classes, the aggregate wages increasing at the same rate as the income derived from capital. These facts obviously confute the Socialist theory that capital seeks to extort an ever-increasing share of the national income, whilst they support the *quantitative theory of labour* which holds that workmen's real wages have a tendency to increase in proportion to the increased wealth *per capita* of the population.

Nationalization, in order to distribute among the workers the profits (if, indeed, there should be any) which were made formerly by capitalists, would certainly in the long run impoverish society. The workers might be able for a short time to increase their expenditure, but in consequence of diminished saving the community would be impoverished ultimately, and the wages and standard of living of the workers themselves would be lowered.

Several of the popular objections to the nationalization of the entire industry of a country are of more or less minor importance, partly because they do not apply to all industries, and partly because their validity is dependent largely upon the way in which the nationalization is effected. The most frequent objections are that nationalization would "enthroned the rule of bureaucrats," "stand in the way of new inventions," "arrest mechanical

and managerial improvement," and, finally, "paralyze individual initiative and enterprise."

As to the first objection, it is clear that the danger of bureaucracy depends very much upon the organization of industry. In a decentralized system, with more or less self-governing enterprises, this danger is naturally far less than in a highly centralized system. A Syndicalist system of nationalization would not be in so much danger of becoming bureaucratic as would a Socialist system.

It is undoubtedly true, with certain modifications, that nationalization would stand in the way of new inventions and arrest improvements. On the other hand, it is clear that to some extent at least the present means of stimulating inventions by profit obtained from private businesses might be substituted by some system of State-rewards such as pensions to inventors.

The extent to which mechanical and managerial improvements are made in nationalized industries depends naturally upon the business-managers. There is little doubt that in certain nationalized industries managerial improvements could be effected more easily than in private enterprises, because of the centralization of the business. However, in consequence of the complete abolition of competition in nationalized industries, the necessity for improvements in business would be felt less than in private industries, and it is therefore

probable that in the event of general nationalization such improvements would be arrested.

The last objection on the list, namely that individual enterprise would be paralyzed by general nationalization, is a truism; for nationalization means the substitution of public for private enterprises. The paralysis of individual initiative, however, is a different issue. It has been pointed out often that in nationalized industries individual initiative must be far less than in private enterprises where it is stimulated by the prospect of profit. This is undoubtedly true but only to a certain extent, for the stimulating effect of the prospect of personal gain would be partly replaced in State-enterprises by personal ambition, and by higher salaries in higher posts.

All the above objections are evidently of more or less minor importance, and are not of general application. The substitution of an industrial system based upon the arbitrary decisions of certain individuals for the present effective system regulated automatically by free pricing, and the reduction of capitalization (leading inevitably to the impoverishment of the community) are two of the gravest objections to a system of general nationalization.

We must remember also that, in order to carry through nationalization of industry as a whole, there are only two ways open: the establishment of a "dictatorship of the proletariat" endowed

with the power of making rigorous laws for forcing the workers under threat of severe punishment to work under the conditions determined by the management; or the rule of the masses. Either of these systems would rapidly impoverish society, and bring the standard of living of the workers far below the present level. These are the two alternatives to the prevailing system, under which the standard of the workers is raised gradually, in proportion to industrial development.

It has been pointed out already that it is essential to every sound policy that all acts should be avoided which might throw society out of its equilibrium. A decision of any government to carry through general nationalization or to confiscate the property of a certain group of citizens is an act of that description. On the one hand, it would hurt the natural sense of justice of those whose rights the government had infringed and consequently would meet with strong resistance on their part. On the other hand, it would interfere with the economic laws of society. The inevitable result would be that it would cause a serious disturbance of the social equilibrium.

B. NATIONALIZATION OF SPECIAL INDUSTRIES

If the problems of general nationalization be fantastic and offer but little chance of solution, the

same cannot be said of the problem of nationalizing certain particular industries whilst maintaining the present system of private ownership. This problem is one which has been earnestly discussed, not only by Socialists and trade-unions, but also by Parliament and Royal Commissions.

Naturally, every serious consideration of this problem must exclude, as inconsistent with the fundamental principles of social morality, the extremist ideas of nationalization by confiscation. The two alternative methods for effecting nationalization would therefore be State-purchase and the creation of Concession Laws. By eliminating the possibility of confiscation the problem of nationalization in one sense becomes more complicated, as the financial capacity of the State to repay the owners of enterprises intended for nationalization, without thereby injuring industry as a whole by excessive taxation, must be considered. Nationalization by Concession Laws must be confined to those enterprises in which the State has a direct claim to be the owner of the raw material or the means of production.

The industrial life of a modern community is so complex that the nationalization of one industry is bound to exercise a great influence upon other industries. Moreover it is very often impossible to draw a sharp boundary between one industry and another, and it would be equally impossible to nationalize one industry without nationalizing those

other industries which are inseparable from it. This interdependence complicates the problem of nationalization.

Concrete schemes for the nationalization of certain industries have all had in view the establishment of State-enterprises, *i.e.*, enterprises owned by the State and controlled by a State-department. It is obvious that it would be highly inequitable towards workers of other industries if only one or a few industries were nationalized and managed by the workers themselves. Such a system, indeed, could be effected only in the event of general nationalization, which has already been considered.

Let us consider briefly the advantages and disadvantages of State-enterprise as compared with private enterprise, and set down the economic limitations of State-enterprise. Only when this has been done will it be possible to judge the economic consequences of nationalization under a system of State-management.

The first question which arises when considering the economic activity of the State is this: if State-enterprise is economically more advantageous than private enterprise, why has it not competed with it and wiped it out of existence? There is no reason why it should not have done so, and the enormous predominance of private enterprises is at least an indictment of State-enterprise. But this circumstance by no means condemns State-enterprise from all aspects. State-initiative is sometimes

absolutely essential in order to start enterprises which, though they are of national importance, need more capital than can be raised by private initiative because of the smallness of the dividends. In the case of railways large amounts of capital are needed. In Great Britain, where it is comparatively easy to raise large sums of capital privately, the railways became private enterprises in spite of the disadvantages presented by the existence of several private railway-companies; in the Scandinavian countries, on the other hand, where capital was scarce, much of it had to be raised by the State, and the principal railways became State-enterprises.

There are two reasons why the State is better suited than private persons and companies to raise large sums of capital; one is that the State has a wider outlook with regard to the future needs of the community than have private persons with merely their own immediate profit in view. The State, which has in view, or ought to have, the development of the community for generations to come, is therefore more willing than individuals to raise capital for financing enterprises which, though they yield comparatively small dividends, are run in the interests of the community and promote the development of the country. Typical examples of such enterprises are railways, canals, roads, and electric water-power establishments, all of which require large capital. The other reason why the State is better fitted than private persons to raise

capital is that it can do so on comparatively more favourable terms. State-credit is, in normal times, better than private credit, and the State can therefore borrow capital at a cheaper rate of interest than can private persons. Private enterprises work for immediate profit and in order to satisfy in the first instance the immediate needs of the people, whereas the State looks further ahead; the object of a State-enterprise is to satisfy those future needs of the community for which private initiative is not sufficient. The boundary between State-enterprise and private enterprise naturally varies in different countries and depends upon the abundance of capital in each country.

Several arguments have been advanced against a large development of industrial and productive activity on the part of the State; for instance, that its revenues would be rendered thereby too dependent upon fortuitous circumstances, and that consequently it would be very difficult to estimate the annual budget; that the State would be diverted from its real function, the general administration of the country; that the total number of State-employees would have to be considerably increased which would entail a restriction of personal freedom in proportion to the number of citizens brought under the direct control of the government. All these arguments are justified more or less, but without nationalization of industries there

does not seem to be any direct danger that State-enterprise will reach too large dimensions.

The reason why such a fear is not justifiable is the existence of safety-valves—*i.e.*, on the one hand, the high cost of production in State-enterprises as compared with private enterprises and, on the other hand, the limitation of the amount of capital which can be obtained more cheaply by the State than by private persons. On the whole the object of the economic activity of the State is not to compete with private enterprises but to supplement their activity when they do not possess the necessary resources for raising large amounts of capital at a low rate of interest. It must be noticed, however, that the amount of capital obtainable at a low rate of interest is limited, and this circumstance also limits the economic activity of the State. If the State were to borrow capital at a rate of interest as high as, or higher than, private enterprises, it would compete with these enterprises, and would, in consequence of the comparatively high cost of production, work at a continual loss which would have to be made good by taxation. In this way the economic activity of the State would reduce the aggregate result of production, and sooner or later the State itself would be bankrupt.

If it were possible for the State to compete effectively with private enterprises, *i.e.*, not only to borrow money at a lower rate of interest than they

do, but also to work at the same or a lower cost of production, the replacement by State-enterprises of certain private enterprises working under comparatively disadvantageous conditions would obviously increase the efficiency of the total production of the country. There is no absolute proof that such State-enterprises could not exist, but, as already mentioned, the fact that they do not actually exist argues against their being possible. It is clear that, from an economic point of view, the nationalization of an industry would be disadvantageous to the community as a whole if it infringed upon the normal domain of private enterprises. If the State were to buy enterprises at the capitalized value of their annual revenue, and if these enterprises when controlled and run by the State did not yield the interest on the capital-outlay, so that the deficit had to be made up by taxation, then such nationalization would be a loss to society as a whole.

In conclusion, we may sum up the following points with regard to the nationalization of special industries. If the State, without increased taxation, can nationalize industries or certain large enterprises or undertakings by purchase at their full value, calculated on their annual revenue, it is proof that such nationalization does not encroach upon the sphere of private activity. In this case nationalization would entail no loss on society. But, on the other hand, if the State cannot purchase

the enterprises at their full value and carry on the business without loss and without increased taxation, it proves that nationalization would imply an unjustifiable intrusion into the domain of private enterprise. Nationalization under such circumstances would impoverish society as a whole, and, in the long run, would lower the standard of living for the working-classes.

II. STATE CONTROL

In times of emergency, such as those of war, it has been found necessary for the State to exercise a certain control over trade and industry. During the Great War the military and economic situation compelled the British Government to extend State-control on a larger scale than has ever been done previously. Coal-mining, engineering, agriculture and other methods of food-production, shipping and railways, exports and imports, were all placed under more or less severe control. This State-control was necessary in order to keep up the production of munitions, arms and foodstuffs to the utmost limits of the nation's capacity, irrespective of cost; but experience has shown that this system meant a tremendous waste of the nation's resources. During the War many prominent members of the Labour Party were in favour of continuing the system of government-control even after the War; but the lessons of the first post-War period were

sufficient to convince even the most ardent Socialists of the impracticability of State-control of private enterprise.

Let us quote the following words from Sir Lynden Macassey: "Employers and trade-unions are in firm agreement on this point, that government control of industry spells ineptitude, incompetence, extravagance, and confusion all along the line. We may, therefore, emphasize this as the first cardinal principle regulating the relationship of government to industry: that the circumstances are few and seldom arise which justify the intervention by Government in the economic administration and control of any industry."

III. JOINT INDUSTRIAL ORGANIZATION

The aim of what has been called "the democratization of industry" is to give Labour a voice and a certain amount of control in the management of industry. The phrase is often used in a very loose sense and is given a different meaning by different political parties. All agree that the democratization of industry aims at giving Labour a share in the control of industry, but they disagree as to the form and extent of this control. Some parties consider that a system under which the workers would exercise a controlling influence over the management of industry entirely by collective

bargaining would be the most democratic form of industrial government. Others mean by "the democratization of industry" that the State, by legislation, should secure to the workers a certain direct control over the management of industry. The most Radical interpretation of the phrase appears to connote absolute equality of workers and employers in the control and management of industry. To give the workers greater control than the employers, would obviously not be in accordance with the principle of democracy, as the latter would then be denied equal rights with the workers.

The declaration in this respect of the European Commission of the National Industrial Conference Board (U.S.A.) is noteworthy. "The Radical interpretation of the phrase," it says, "will run out in many directions: into the Guildsman's idea of a new industrial framework; into the Socialist's State-ownership and control of the means of production; into the Syndicalist's idea of the total annihilation of the State; into a destruction of the wage-system, the rights of private property, the capitalistic system; into the war of classes between *bourgeoisie* and proletariat." The Commission therefore draws the following conclusions with regard to the term "democracy in industry"; "The subtle danger in such a phrase is the fact that it runs through all of these gradations of meaning without change in outward form. And, unfortunately, the user, whoever he may be, is likely

to be cited as endorsing the most Radical interpretation."

The apprehension of the Commission with regard to the use of the above phrase seems to be somewhat exaggerated, at least when we consider the arguments upon which this fear is based. For there is a limit to the Radical interpretation of the phrase—namely, the equality between the power of the employers and that of the workers. When this limit is passed, *i.e.*, when the workers acquire the entire control of industry (for instance, by the adoption of Syndicalism), then there is no longer industrial democracy.

The widespread opinion has prevailed in different political quarters that political democracy secured by universal suffrage ought to be accompanied by industrial democracy; it has even been argued that universal suffrage must inevitably lead to industrial democracy. However, the presumed analogy between political and industrial democracy does not really exist, because, though the right of every citizen to exercise indirect influence in the government of his country by his political vote is a fundamental principle of social justice, the right of the workers to determine how the employers shall use their own capital is a principle of which the justice is, to say the least, not admitted universally. The word "democracy" is associated generally with social justice, and the phrase "democratization of industry" therefore easily gives the

false impression that any system by which it would be accomplished would be based necessarily upon such social justice. In so far as "democratization of industry" aims at preventing the employers from exploiting their workers it is based upon justice, but when it goes further than that and gives the workers the right to exploit the capital of their employers, then it is opposed to the fundamental principles of social justice.

The claims of the workers for democratization of industry, the desire of the employers and of the consuming public to abolish industrial unrest, and the need in all countries for increased production, especially after the War, have led to the appearance of a great many more or less practicable reconstruction-schemes which have been brought forward by the Government or by Committees in most countries. These schemes are characterized by attempts to promote both the interests of the workers by giving them more influence over the management of industry, and the interests of the country as a whole by reducing the discontent of the workers and facilitating co-operation between employers and workers, thereby avoiding certain causes of industrial unrest.

It may be of interest in this connection to compare the forces which drove British employers and workers towards united action and those which started the French movement for joint industrial organization.

In Great Britain years of serious industrial unrest, the break-down of the traditional policy of the trade-unions as a result of severe sacrifices experienced by the working-classes during strikes, and difficulties (arising out of this unrest) in competing with foreign industries, were circumstances which opened the eyes of both masters and men to the intolerable situation and to the impossibility of proceeding further on the old lines. The movement towards joint industrial organization gained ground, especially during the War, when employers and workers united their efforts in the common interests of the whole community; and a return to the pre-War conditions of continuous industrial unrest seemed a retrograde movement after four years of intense strain and sacrifice. The maintenance of industrial peace therefore became the leading principle of the reconstruction-work after the War. Accordingly the Government promoted the establishment on a large scale of Joint Industrial Councils, which, by affording opportunities for frequent personal contact between employers and workers, were calculated to foster a more conciliatory spirit and a better understanding between them, and thereby to do away with the root-causes of industrial unrest.

In France joint industrial organizations have existed ever since the beginning of the nineteenth century, and the first organizations of the modern type were created at the outset of the present cen-

tury on the initiative of the Government. The object of the Government-scheme was, first of all, to remove the existing prejudice among the employers against the Workers' Syndicates which they did not recognize as legal institutions, and with which, consequently, they refused to enter into negotiations. This scheme was never very successful as it did not receive the necessary support from either the employers or the workpeople. Ever since the close of the War the movement towards joint industrial organization has not developed to any noteworthy extent, although the reconstruction policy of Great Britain has been followed with great interest. It is characteristic of the French employers that they will never allow any interference with the management of their own business and their own capital, and, as the workers generally refuse to co-operate with the *bourgeois* class, any scheme of joint industrial organization is doomed to failure.

For this reason, and also because after the War an immediate increase in the output of production was needed even more urgently in France than in Great Britain, the work of reconstruction has developed along entirely different lines in these two countries. While the British reconstruction-policy sought, first of all, to remedy the industrial situation from within by a permanent improvement in the relations between masters and men, the French policy in the first instance was directed towards the

introduction of Scientific Management and other measures aiming at an increase in the efficiency of production. It is too early yet to judge which policy has been the better, the British aiming primarily at a better understanding between employers and employed, or the French founded on a "cash basis." To an independent observer, however, it seems that the policy pursued in each country has been somewhat one-sided, and that a middle course between the two would have produced a better result. To ignore the necessity of improving the relations between masters and men by means other than money, in a country where class-hatred flourishes, seems just as wrong as to overlook the necessity of inducing men to work harder in a country where "ca'canny" principles are gradually taking the nerve out of industrial production.

In consequence of the strong opposition from organized Labour, profit-sharing and labour co-partnership have not met with success hitherto, but there is no doubt that these forms of industrial organization may offer great possibilities for future industrial development. The opposition of Labour to-day need not necessarily continue into the future. In fact the opposition is almost too pronounced not to raise the suspicion that the Labour leaders themselves fear that the movement towards uniting the interests of employers and employed may prove fatal to the class-warfare movement. The majority of workers to-day act under the misap-

prehension that their interests are opposed to those of the employers, but sooner or later the rank and file will discover their mistake. Any Labour movement based upon class-envy and class-warfare is doomed to failure in the long run; the most that can come out of it is that the *élite* of the proletariat will come into power. But this, as is sufficiently proved by historical experience and examples from Russia, does not imply an improvement in the economic conditions of the toiling masses. Class-dissensions and class-struggles must lead inevitably to a deterioration in the economic conditions of the working-classes, whereas class-harmony and class-co-operation are bound to produce the opposite effect. Therefore profit-sharing and labour co-partnership, which unite intimately the interests of employers and employed, seem to offer a sound solution of the industrial problem. After all, an improvement in the standard of living of the working-classes ought to be the main object of the working-class movement as well as of future industrial reorganization; and this will, no doubt, be secured if only the systems of profit-sharing and labour co-partnership are adopted in industry on a sufficiently large scale.

The encouragement of such a development is an even more important task for the State than the promotion of joint industrial organization.

IV. TRADE DISPUTES

When considering the question of State-interference in trade disputes it is important to notice that in a trade dispute an agreement between the two parties (namely the employers and the employed) can seldom or never have the same definite character as have ordinary contracts between individual or corporate bodies, for in these latter cases the principles are concerned directly and act under well-defined authority. It is obvious that the lack of definiteness must complicate the situation between employers and employed, making the value of compulsory measures by legislation exceedingly doubtful.

However, during the War a temporary system of compulsory arbitration was introduced into Great Britain, France and Norway, in order to prevent industrial unrest. Although this system proved successful on the whole, it would be dangerous to draw any definite conclusions with regard to peace-time from the results achieved by compulsory arbitration during and immediately after the War. The success of the system was certainly due in a large degree to the strong powers conferred upon the Government, and also to public opinion, which was immediately aroused by the slightest sign of industrial unrest. Nevertheless, the experience in compulsory arbitration gained during the War is valuable, since it proved that *in a*

case of real emergency it may be necessary to resort to compulsory arbitration in order to secure industrial peace.

It is clear that in Great Britain, where collective agreements cannot be enforced by law, and where the civil responsibility of employers' and workers' unions is strictly limited, compulsory measures for the settlement of trade disputes are not justifiable. In fact the introduction of such measures would necessitate a complete alteration of the legal position of the trade-unions under the Trade Union Acts, 1871-1913, and the Trade Disputes Act, 1906, so as to give them full legal responsibility. Moreover, compulsory interference between Capital and Labour is opposed to the whole spirit of British legislation, and it has never been popular among either the employers or the working-people.

Whether compulsory measures for settling trade disputes are justified at all depends primarily upon the character of the employing-classes and working-classes in each country. With an adaptable and compliant nation compulsory measures may give excellent results, whereas they may prove entirely useless in a country where masters and men have an independent spirit and are opposed to all constraint upon their freedom of action. It is impossible, therefore, to give a general opinion as to which system of arbitration or conciliation is the better, compulsory measures being preferable in some countries, voluntary in others. But the one

important principle which must always be borne in mind is this: the amount of compulsion introduced in peace-time legislation must never be greater than can actually be enforced by law. Moreover there must always be complete harmony between trade-union legislation and the laws which provide for the settlement of trade disputes.

It is interesting to compare the main issues of recent legislation relating to trade disputes in Great Britain and France.

Whereas British legislation has centred round questions as to the extent of the legal responsibility of the trade-unions and the immunity of their funds from attachment for damages, French legislation, for instance, has been concerned primarily with the details of enforcing collective agreements. In consequence of the legal privileges enjoyed by British trade-unions the field covered by legal action in respect of such organizations has been much wider in Great Britain than in France, where trade-unions have full legal responsibility. In England actions have been brought against trade-unions for the recovery of damages caused by strikes (whether or no they constituted a breach of agreement) by picketing, and by a great many wrongful acts alleged to have been committed by trade-unions or members of such unions. In France, on the other hand, legal proceedings against trade-unions have been concerned mainly with strikes and other acts committed by trade-

unions or their members that constituted a direct breach of agreement. It is interesting to see that the question as to the observance of collective agreements has never played any part in British legislation. This circumstance is no doubt due to the easier keeping of an agreement in England than in most other countries, because of the Englishman's innate respect for an agreement that he has signed.

The legal position of British trade-unions is in sharp contrast to that of trade-unions in other countries. While the British trade-unions under certain conditions are placed above the law so that they cannot be made responsible for their own acts, trade-unions of other nations are responsible not only for their own acts, but also, in certain cases, for acts committed by their members, even if the latter are not acting upon the authority of their union.

Which type of legislation is preferable, as more likely to lead to the establishment of industrial peace, is a question which depends largely upon the character of the working-class and of the industrial conditions in each country. However, widespread industrial unrest and the experiences during the General Strike in May this year will probably compel the British Government to place the trade-unions once more within the laws of the country.

V. PROTECTION OF WORKERS

It is clearly the duty of every government, whatever may be its political complexion, to see that the workers are protected so far as possible against accidents, conditions injurious to health, overwork and starvation. This principle is now recognized generally, and even at the outset of the present century Great Britain possessed a system of factory-legislation which, with its provisions for the protection of women and children, and for health and safety in mines, factories and workshops, has been the model of all similar legislation in other countries.

In many countries the working-time in factories has been limited by statute to eight hours, and it has been proposed in Parliament over and over again that a law to this effect should be carried.

The idea of limiting the working-time in industry by international convention was taken up by the Peace Conference of 1919, and the Washington Conference of the International Labour Organization held in October and November that year adopted a Draft Convention on the legal limitation of the hours of work in "industrial undertakings." This document, which was submitted for ratification to the various countries affiliated to the International Labour Organization, contained the following important clause:

"The working-hours of persons employed in any

public or private industrial undertaking or in any branch thereof, other than an undertaking in which only members of the same family are employed, shall not exceed eight in the day and forty-eight in the week, with the exceptions hereinafter provided for."

This Convention has not been ratified by Great Britain. An eight-hour day, however, has actually been established by collective agreements in all the main industries of the country—a result which shows that State-interference is not absolutely necessary to bring about a limitation of the working time.

It has been proved that in several of the countries where an eight-hour day has been established by statute the output of industry has been reduced. Obviously this shows that the greater efficiency of work which had been predicted as a result of this measure was not sufficient, at any rate for the time being, to compensate for the loss in working-time. However, the limitation of the working-time in industry is a question which ought to be considered, not only with regard to its economic consequences but also from a social point of view. The loss in working-time and the decrease in production which must inevitably follow, at least temporarily, are hardly sufficient reasons against a moderate reduction of daily work. After all, the production of material or goods is only one form of satisfying the needs of the community; but this production must

not be accelerated to such an extent as to endanger the satisfaction of other more urgent needs of the individuals who make up the community. The need of leisure is absolutely indispensable to the physical and moral well-being of all men and women; and, if large numbers of the population be badly-off in this respect, a reduction in the time which they devote to their ordinary occupations is undoubtedly of greater concern to the country as a whole than the loss incurred by a decrease in material output. Besides, the speeding-up of the work, the better health and enlightenment of the people, and the removal of the causes of discontent among the workers, are all factors which will undoubtedly compensate in the long run for the loss in production caused by shorter working-hours.

VI. MINIMUM-WAGE

Minimum-wage legislation is closely connected with legislation relating to trade-agreements. However, there is an important difference in principle between these two forms of legislation. The former aims at protecting one party only, whereas the latter is based upon reciprocity; in the first case State-interference is required in order to protect one party against injustice and a social evil, while in the second case this reason for State-interference presumably does not exist. So long as the workers are paid well as compared with other workers per-

forming similar work, State-interference in favour of the workers would imply a departure from the minimum-wage principle.

We can distinguish the following occasions for State-interference by means of minimum-wage regulations: (1) when wages are below the poverty-line (as in sweated industries); (2) when wages of certain workers in a trade are considerably below those of other workers performing the same or similar work; (3) when wages of workers in a certain establishment or trade are low as compared with the current rate of wages in the same district.

Just as Great Britain, among the European nations, led the way in factory-legislation, so has she done in minimum-wage legislation. This is the more remarkable because compulsory State-interference in the relations between masters and men is contrary to the spirit of British legislation. But the miserable living-conditions of certain classes of British workers have necessitated the introduction of a system of State-protection against sweating, and have thus secured a reasonable standard of living for those workers.

In Great Britain minimum-wages have been established legally for: (1) sweated industries; (2) non-sweated industries, where no adequate machinery exists for the effective regulation of wages throughout the trade; (3) the coal-mining industry, where wages vary considerably from district

to district on account of differences in the conditions of production in the various mines.

Undoubtedly minimum-wage legislation on these lines is justified. On the other hand, the fixing of general minimum time-rates does not seem to answer any useful purpose.

One of the most important objections advanced against a system of general minimum time-rates fixed by statute is that the minimum-wage inevitably tends to become the maximum-wage. It is a matter of experience that the general rate of wages in a trade tends to coincide with the lowest wages paid by any employer. In this case, no doubt, the minimum tends to become the maximum, but this is of relatively little importance so long as the minimum-wage is not fixed and can be increased by the efforts of the organized workmen of the trade. When, on the other hand, the minimum-wage is fixed by statute (which necessarily affords some measure of support to the employers in their resistance to the increased demands of their workmen) it is much more difficult for the workmen to force up their wages. These arguments, however, apply only to the general minimum time-rates fixed by statute, and not to the guaranteed rate in case of piece-work, nor to the overtime-rate. In the case of piece-work the minimum time-rate for more or less inefficient work tends to be the maximum, but this is not altogether unreasonable since

this rate depends upon the workmen themselves. A good workman, however, fixes his own maximum-wage.

As a general rule the fixing of minimum time-rates in industries other than those in which wages are exceptionally low does not seem justifiable. In sweated industries it is necessary to fix a living-wage, and in this case the fixed minimum-wage is higher than the current wages of the trade which is not provided with regulations. This is exactly what gives the minimum-wage a *raison d'être*; in the case of a trade in which the standard trade-union wages are higher than the minimum-wages established by statute, this minimum-wage has obviously no such justification. State-intervention in this case would be detrimental to the interests of the workers, for the minimum-wage undoubtedly would tend to keep down the standard trade-union wages.

VII. UNEMPLOYMENT

There has been, and continues to be, much confusion in thought and speech on the question of unemployment.

It is important, in the first place, to notice that the obscurity which surrounds this subject is due chiefly to two causes: the first of these is that many people, owing to some peculiar prejudice, do not and will not see things as they really are;

the second is that the problem is mixed up with another with which it is connected very closely, namely the problem of depression and progress in trade.

As to the first cause, it is not unusual for people to refuse to consider unemployment as a problem of wages for the simple reason that if the workers have once obtained a certain rate of wages it is, in their opinion, only just that it should be maintained. This principle is all very well, but it does not alter the fact that, if wages are not reduced during a time of trade-depression, unemployment is bound to ensue.

As to the second reason for obscurity, it is obviously quite right to seek to remedy unemployment by abolishing the causes of trade-depression, but the problem of unemployment must be kept apart distinctly from the problem of trade-depression. It would be futile to try to abolish all causes of trade-depression, for some of them are bound up so closely with the industrial system that any attempt to do away with them is doomed to failure.

To understand the problem of "unemployment" it is important to have a definite idea of what this term really means. It means that numbers of *able-bodied* and *willing* workers are unable to find employment at a *certain wage*. Those members of the community who are incapacitated by either age or infirmity, together with those who habitually refuse to work, must not be confused with the real

unemployed; they are the unemployable. These individuals are dealt with by the poor-law and by legislation relating to public health and old age.

The problem of unemployment presents itself under two different aspects:—(1) Unemployment arising out of special conditions in certain branches of industry; seasonal unemployment belongs to this class. (2) Unemployment caused by a general depression in the whole field of industry; cyclical unemployment and unemployment caused by foreign competition or by post-war depression belong to this class.

In order to avoid confusion it is necessary to keep these two cases distinctly apart. The fundamental difference between them is obvious. The total demand for labour remains practically unchanged from year to year in the first case: while in the second case it has been diminished. This circumstance is highly important, because in the first case the question is reduced to a problem of the *distribution* of labour, the aggregate demand for labour remaining practically unchanged; in the second case the total *demand* for labour has diminished, which means either that the wages must be cut down or that a number of the working-class must be thrown out of work.

Trade-depression is characterised by a decreased demand for goods. Whether this disturbance of the economic equilibrium has arisen from the demand-side or from the supply-side is not pertinent

in this connection; the point of importance is that the employer cannot make the same profit if he goes on producing as much as he did before. In any case he gets the maximum-profit if he reduces his production in proportion to the diminished demand. When doing this he has obviously less need for labour than he had before, and he is unwilling, and in many cases unable, to keep all his hands fully employed unless they accept a reduction of wages. This, however, is often what the trade-unions will not do, with the result that the employer has to dismiss the superfluous * workers. Those labourers thrown out of work in this way are unemployed at their old wages, but if they and their fellow-workers were prepared to accept lower wages they would obtain employment. To a certain extent then, unemployment is their own fault; but at the same time it is easy to understand the workmen's reluctance to accept lower wages in order to enable the employers to maintain their rate of profit.

In this case, when it is impossible for the workmen to find employment at approximately the same *real wages* as those to which they are accus-

* It may be noticed that this term "superfluous," like the term "over-production," is somewhat inappropriate. It is only from the employer's point of view that there can be superfluous labour and over-production. A labourer is needed at all times by the community, and production can never be great enough to supply all the needs of the community. When an employer talks about "superfluous labourers" and "over-production" he speaks from his own standpoint only, *i.e.*, with regard to his profit-rate.

tomed, State-intervention seems to be justifiable.* To throw away productive power merely because it cannot be utilized profitably by the employers is obviously wrong, and when workers cannot obtain any private work (in consequence of a general depression of trade) the organization of public relief-work seems reasonable. It is better for the community that the workers should be employed in any form of industry than that they should remain idle for a long time. But it is also clear that a workman must be released from public relief-work as soon as employment in private business is open to him.

It is a matter of experience that enterprises for the temporary relief of the unemployed very rarely pay their own expenses and therefore have to be subsidized. This must of necessity be the case if the State undertakes to employ the temporary workers at standard trade-union wages, because it is extremely improbable that the State will be able in times of depression, to find remunerative work for the unemployed at standard wages when private enterprise has been unable to do so. It must be remembered, also, that it is necessarily more expensive to conduct relief-works than to carry on private enterprises, because of the irregularity and

* In the case of permanent depression (*e.g.*, as a result of foreign competition) *real wages* have to be reduced to the economic level. In this case State-intervention must be directed towards the removal of the causes of depression by supporting, so far as possible, the competitive power of industry.

discontinuity of the former, and because labour employed thereon is subject to considerable alterations.

As regards the organization of public relief-works for the unemployed it is clear that in a case of emergency such a measure may be justifiable. But what would be the result of the creation of permanent relief-works for the unemployed? It is hardly conceivable that the local authorities or the Government could organize every sort of relief-work so as to provide an unemployed workman with the work for which he is most fitted and to which he is accustomed. At the same time it is clear that a skilled mechanic would be neither content to work on making or repairing roads, nor satisfied with the comparatively low standard of wages for this class of work. Also, the probability is that he would be inefficient, if not entirely incapable of doing such work. The great danger in organizing permanent relief-works for the unemployed, however, is that such action must inevitably disturb the economic basis of industrial life.

Workmen's wages are fixed by the supply of and demand for labour. The price of labour differs in various branches of industry and is fixed in relation to all other prices. The wages in a certain industry depend not only on the demand for and supply of labour in that particular industry, but also upon the demand for and supply of labour

in all other industries. But this is not all, for these factors depend ultimately not only upon the relation between the demand for and supply of goods produced by the special industry concerned, but also upon the supply of and demand for all other goods produced to supply human needs. When the need of and demand for certain goods increase, the prices of these goods, as well as the wages of the workers employed upon their production, will also rise and thereby attract labour. On the other hand, wages must be reduced in industries where the demand for and need of labour has diminished. In this way prices and wages regulate the distribution of labour so that it is used for the production of those goods which are needed most urgently.* This whole system would be disturbed by the organization of permanent public relief-works guaranteed at fixed wages. The result of this would be that labour would be used, not in industries where it was most needed, but, at the discretion of the local authorities, in districts where wages were above the normal rate. In this way the productive power of the community would be employed in the over-production of goods for which there was no urgent or real demand at the expense of urgently needed or essential work.

This fact has often been adduced as an argument against the organization and provision of even temporary relief-works. There are those who

* *Vide* pp. 40-2.

think that it would be far better to give the money spent on such works to the unemployed as out-of-work pay. However, from the point of view of the efficacy of the support given, employment in public relief-works seems to be superior to direct grants of doles, because in the first case the temporary workers contribute something towards their support, even if this something does not entirely repay the cost of their maintenance; while in the second case they produce nothing at all, and live entirely at the expense of the community, and probably in a state bordering upon destitution. It is evident that the first alternative is preferable from the point of view of the workers themselves and of the community as a whole.

Because temporary State relief-works are not nearly so remunerative as permanent private enterprises, the State must, in the interests of the community, confine its activity strictly to periods of general depression, and must take particular care not to give relief-work to any workman who can find suitable employment in private business. For this reason it is very important that there should be close co-operation between the Labour Exchanges and the public authorities organizing relief-works. This would prevent over-lapping and undue interference with the distribution of labour, since the Labour Exchanges would be instructed to draft into the relief-works only those men who could not obtain work elsewhere.

There is one point in the problem of unemployment which some people have great difficulty in understanding; this is that unemployment cannot be abolished by reducing the hours of work. They think that if only the working-time in all enterprises were reduced sufficiently all workers would be needed and that consequently unemployment would cease. It cannot be denied that this idea underlies the proposals of the Trade Union Congresses to reduce the working-time.

It is a great mistake to argue that the reduction of working-time creates greater opportunities for employment. In the first place such a measure means a decrease in production. This in turn means that real wages have to be reduced, as the output of industry is not sufficient to pay the same wages as it did before the working-time was reduced. Now, if the workers refuse to accept these lower wages, adapted to the economic position of industry, there is bound to be a continuous increase in unemployment. Instead of creating opportunities for work the reduction of the working-time will thus have produced the opposite effect, *i.e.*, will have created unemployment.

This seems to be clear enough, but many people raise the objection that the shortening of the working-time does not necessarily lead to a decrease in production. Their argument is that unemployed workers produce nothing, but if they were employed on half-time work, and if the workmen

who were still in work were reduced to half-time, there would be no decrease in production. This argument is superficial. It does not strike at the root of the unemployment-problem, which is the wage-question. As has been emphasized already, unemployment means always unemployment at a certain wage. The value of a remedy for unemployment, such as the shortening of the working-time, must therefore be judged with regard to the only real remedy, *i.e.*, the reduction of wages to their normal rate as fixed by the supply of and demand for labour. We have, therefore, only two alternatives to consider: (1) reduction of the hours of labour, and employment of all workers on part-time; and (2) reduction of wages to their normal rate and employment of all workers on full-time. The first alternative means a decrease in production, a lowering of the normal rate of wages, and a continuous increase of unemployment; the second alternative, on the other hand, means the disappearance of unemployment, increased production, and in the long run a continuous rise in real wages and in the standard of living of the workers.

The widespread unemployment in Great Britain which has lasted ever since the cessation of hostilities in 1918 is due to temporary as well as permanent causes. The demobilization of the forces, the post-War depression in trade and industry, the loss of foreign markets due partly to lack of purchasing-power and partly to the under-cutting of

British products by means of low wages and adverse rates of exchange, and the enormous increase in taxation, are some of the chief temporary causes of the present unemployment. Among the permanent causes, the obstructive policy of the trade-unions, which prevents an adequate distribution of labour in accordance with the demand of each industry, and the existence of an over-generous system of unemployment-relief, which encourages idleness, are the most serious.

At present the most important cause of unemployment is probably the heavy burden of taxation—a supposition which is strengthened by the fact that there is no nation in the world with such high taxation and so much unemployment as Great Britain. Let us try to explain why heavy taxation must inevitably result in unemployment.

In ordinary times capital increases at the same rate as, or more rapidly than, the population. This is an essential condition for the maintenance of the standard of living as well as for the employment by capital of the increasing population. If, now, heavy taxation prevents the employers from making sufficient profits to save capital and enlarge their business or factories it will be impossible to employ the ever-increasing number of workers, and unemployment must follow. The situation becomes still more serious when taxation, as is the case at the present time, is so high that even the usual re-equipment of machinery cannot take place.

We must remember also that large portions of the consuming public are prevented by high taxation from keeping up their usual standard of living and from buying goods on the scale to which they were previously accustomed. It is evident that this reduced demand even on the home-market must handicap British industries severely.

Considering these circumstances it seems fairly evident what course the British Government should pursue. The unemployment-problem cannot be solved by doles or relief-works, or even by a Safeguarding of Industries Act; the only real remedy is a drastic reduction of taxes.

CHAPTER IV

RACIAL IMPROVEMENT

"The test of the welfare of a country, and of the success of its civilisation, is not the number of its population, nor the amount and diffusion of its wealth; it is the quality of the men and women it produces."

Dean Inge

There are two main lines of State-interference calculated to improve the quality of the human race. One is the application of the principles of eugenics and birth-control; the other aims at an improvement in the conditions and surroundings of the population and at its education and physical training.

In ancient Greece and among the early Scandinavians infanticide and the exposure of weak and deformed children were recognized means of improving the race. Surviving Greek literature and works of art, as well as the extraordinary achievements of the northern races, go to prove that they had reached a very high standard of physical—and, as regards Greeks, also intellectual—development. There is no doubt that the removal of the inferior elements of the population over the

course of generations was at least one of the reasons for the high quality of these races.

In our days such means of racial improvement seem cruel and inhuman; but, as we shall see presently, there are other means producing the same results which are suited to civilized conditions and the modern sense of justice.

It is a grave mistake to think that the methods of the stud-farm could ever be applied to the human race. The whole sexual system of humanity is so infinitely more complicated and the rules of selection so different from those existing between animals, that the application of such methods is out of the question. But the results of horse-breeding, and perhaps still more, the remarkable success of the scientific breeding of cattle, have led many people to think over the problem of improving the human race by scientific methods; and the science of eugenics, or racial improvement by birth-control, has developed. This science is still in its preliminary stage, but there is reason to think that it will fulfil a great task in the future.

But the problem of birth-control is an extremely delicate one. Any *undue* State-interference in such a matter is fraught with the greatest danger, and may easily lead to the effect opposite to that which was intended. In other words, the result of such interference might quite conceivably be this, that the all-round best elements of the race would be reduced by birth-control, whereas the least de-

sirable elements might increase at the same rate as before, thus in the long run outnumbering the others and impairing the quality of the race.

The ideal would be attained, obviously, if by eugenic means the most useful and all-round best citizens could be made to contribute more than their proportion to the following generation. This is undoubtedly a very important problem, but it is an exceedingly difficult one, and the success of State-interference in this respect is most doubtful.

Positive interference by the State in order to develop by scientific methods a certain type of man possessed of special qualities is hardly within the range of possibility. There are several reasons why the human race cannot be standardized and improved by the same means as certain animal races. First of all, it has not been proved that the qualities of the exceptional man are inherited by his descendants. On the contrary, we have seen many examples of the descendants of a genius being mentally deficient, and of the descendants of quite ordinary people being possessed of the faculties of the super-men. Moreover, some of the most eminent men and greatest geniuses ever born have been physically and even morally defective, in spite of which they have been instrumental in the progress of civilization and the development of humanity. Finally, we must not overlook the important fact that, contrary to the animals, man is a rational being, whose actions are conscious,

and who has the power to control his instincts by reason. Between man and woman there is a natural selection, with regard to both physique and intellect, which does not exist among animals; and there is no doubt that, if only the indirect causes of degeneration be removed, Nature is the best guide for the improvement of the human race.

For these reasons the only sound policy for the State is to interfere by means of preventive measures only. Even here it must proceed with great caution, and always make certain that it is supported by public opinion.

There are three main classes of the population which should be subjected by the State to preventive measures: criminals; mentally defective persons; and people affected with dangerous and hereditary diseases, such as syphilis and tuberculosis. The present means at the disposal of the medical profession make a policy on these lines perfectly possible, since both permanent and temporary sterilization can be carried out without causing the slightest injury, or even discomfort, to the individuals concerned. State-interference with this object in view is most important and should be insisted upon as absolutely essential for a sound development of future generations.

But to advocate preventive measures and deliberate limitation of the birth-rate for the purpose of preventing the growth of the population is an entirely different matter. Such a policy might

involve the most serious consequences; and it is obvious that for a nation like Great Britain, which has to rule and populate the largest Empire the world has ever known, it would be an extremely unwise procedure. It is a very short-sighted view of the problem of population to regard it merely from the stand-point of the present situation. Unemployment is no sign of over-population. As we have seen, it is entirely due to other causes: to trade-depression; to lost markets; to trade-union policy preventing the natural distribution of labour and its influx into industries where it is in greatest demand; to overgenerous unemployment-relief which makes people choose to draw doles rather than to work; and—last but not least—to excessive taxation, which has reduced enormously the purchasing power of the nation. Unemployment can be solved by removing these causes, but only by that means; not by a reduction of the birth-rate.

The theory that wealth increases less rapidly than the population, and that the community will be impoverished unless drastic measures are taken to reduce the birth-rate, is utterly false and can easily be refuted. We need only refer to the figures given on pages 46-8. Whether wealth increases as a direct result of the growth of the population is not known with certainty, but there is no reason why this should not be the case. After all, it is quite conceivable that on an average every

individual contributes more to the wealth of his country than what would be necessary to keep him alive on the bare level of subsistence. Moreover, the increase of the population compels people to find out new and improved means of subsistence and of increasing wealth, at the same time as the very density of the population facilitates greatly the methods of distribution and stimulates trade. At any rate we have definite proof that in the long run wealth grows faster than the population, and that, except for periods of depression—more especially those following upon wars—the standard of living of all classes of the community is rising steadily.

It is a well-known fact that the birth-rate among the poor classes is considerably higher than among the wealthy classes. But it is entirely wrong to think that this must necessarily mean that the unfit are outgrowing the fit, since many of the leaders and most prominent men of modern communities were born in the working-class. To my mind the great problem is not how to reduce the birth-rate of the poor classes, but how to secure that the poor children are brought up under healthy conditions. Incidentally this may lead to a reduction of the birth-rate as well as to a reduction of the death-rate among children.

It is clearly the duty of every civilized State to see that all children are properly cared for so that they can develop into good and useful citizens.

In fact this is one of the greatest social problems with which the modern State is faced. The principle should be recognized generally that the State is responsible for every child born, and the parents in their turn must be made responsible to the State for the way in which they bring up their children. The health-authorities should come to the assistance of the parents with medical, sanitary, and other advice to a much larger extent than they do at the present time; and, in cases where the parents do not take proper care of their children and disregard the recommendations and warnings of the health-authorities, it is the imperative duty of the State to take over complete responsibility for the children. But the one and only condition on which this system can be carried out is that the parents pay the expenses thus incurred by the State.

A wealthy man who is deprived of his child because of neglect should be taxed accordingly. A workman under the same circumstances should be deprived of a certain amount of his wages; and an unemployed workman should have his dole reduced by a corresponding sum. There is no doubt that in this way people would be more careful not to bring children into the world without possessing the proper means of supporting them. This need not necessarily prevent the increase of the population; but it would lead to a proper adjustment between the birth-rate and the death-rate of children.

In conclusion, let us summarize some of the main principles laid down in the present chapter.

Positive interference by the State with a view to developing by scientific methods certain types of men possessed of special qualities is hardly within the range of possibility.

The only sound policy for the State is to limit interference to preventive measures only, and even here it has to proceed with great caution since any undue interference might easily have the effect of reducing the birth-rate among the best elements of the race only.

There are three main classes of the population which should be subjected by the State to temporary or permanent sterilization, as the case may be: criminals, mentally defective persons, and people affected with dangerous and hereditary diseases.

For a world-power such as the British Empire the deliberate reduction of the growth of population in the mother-country would be an unwise policy.

The theory that wealth increases less rapidly than the population has been contravened by experience. There are definite proofs that, except during periods of depression, wealth in modern communities grows faster than the population.

The fact that the birth-rate of the poor classes is higher than those of the wealthy classes does not necessarily mean that the unfit are outgrowing the fit.

98 EUROPEAN STATESMANSHIP

It is the duty of every civilized State to see that all children are properly cared for so that they can develop into good and useful citizens. The parents must be made responsible to the State and made to pay the expenses incurred by the State for the maintenance of neglected children.

CHAPTER V

LIMITS TO SOVEREIGNTY

"If the will of the people were sufficient to establish rights, then it might become right to rob, right to commit adultery, right to substitute forged wills."

Cicero

The problem of sovereignty is closely connected with the problem of State-interference, the limits to "representative sovereignty" being very much the same as the general limits to State-activity defined above.

The word "sovereignty,"—presumably derived from the mediæval Latin word *supremitas*,—means supreme power. In ancient Rome sovereignty was based upon law. By a *lex regia* the people transferred its unlimited powers to the Emperor. The mediæval conception was founded on religion. The powers of the ruler were derived, not from the people, but from God. Even Bodin maintained that the authority of the sovereign was of divine origin. Later on we find the theory that sovereignty originated in a social contract. Finally Rousseau, while still retaining such a contract as a basis, laid the foundation of the modern theory of sovereignty. His theory of "general will," which

preceded and certainly also contributed to the development of modern representative government, threw a new light on the whole problem by vesting the sovereignty in the people. But Rousseau, like many writers after him, failed to distinguish properly between the sovereignty of the people and the sovereignty of its representatives. Many controversies on this subject might have been avoided had this simple distinction been made.

Sovereignty is not the hall-mark of a State, since international law recognizes non-sovereign States. But sovereignty is the distinguishing characteristic of every *independent* nation, *i.e.*, its people are in possession of supreme power and freedom of action. Theoretically the sovereignty of the people is absolute and knows no limits.

Representative sovereignty is not supreme in the same way as the sovereignty of the people. We have found it expedient to introduce that term in order to describe the sovereignty exercised by the State-authorities under modern representative government. The King, the Cabinet, Parliament, and the Law Courts are all directly, or indirectly, representative of the people, and it is only in this capacity that they exercise sovereignty. Strictly speaking, therefore, the head of the State, the Executive, the Legislative, and the Judiciary are not sovereign in themselves. The final and supreme sovereignty always rests with the people.

Representative sovereignty is limited with re-

gard to both the external and the internal activity of the State. These limits are the limits of power, moral considerations, regard to other nations and to the interests of humanity as a whole, and the necessity for maintaining the social equilibrium. Transgression of these limits would be unwise or unjust, and the authority representing sovereignty would run the risk of being overthrown and replaced by another authority which had the confidence of the people. This in fact is the proof that sovereignty rests ultimately with the people as a whole and not with the group in power.

The limits of power are obvious enough. If a government exceed these limits on a matter of minor importance, for instance in the case of a particular law, the result will be that provisions of that law will be ignored by the people and that the government will be unable to enforce them. It is the duty of the citizens to resist any law or other measure which violates their interests or the principles of public morality. On a matter of major importance a government cannot exceed the limits of power without being thrown out, either by a popular vote, or by revolution, as the case may be. By depriving the Opposition of their rights as citizens (as under the Bolshevik rule in Russia) a particular government may be able to remain in power longer than it would have done in normal times; but under such conditions they are no longer the representatives of a sovereign people. They

are actually sovereign, but in the capacity of tyrants. Moreover, we must remember that no system of tyranny can last long. This has been pointed out already by Aristotle. "No forms of government," he said, "are so short-lived as oligarchy and tyranny."

It is clear that the moral limits to sovereignty must vary in accordance with the moral standard of each nation. These limits are recognized generally, except by certain extremist movements.

Apparently the Socialists have never realized that the sovereignty of the State-authorities must be limited by moral considerations. It is interesting to compare their attitude in this respect with the theory of force preached by Spinoza.

According to the principle of *jus naturae* as interpreted by Spinoza, "the body and mind of a dominion have as much right as they have power," and "each citizen does and has nothing, but what he may by the general decree of the commonwealth defend." In other words the authority of a government should be limited by nothing but its own power.

An identical principle lies at the back of the Socialist mind. Any party which commands a majority in Parliament has, according to Socialism, the right to pass laws confiscating private property. Once this principle is granted the authority of the State seems to be extended to the very limits of its power.

That State-action must not in any case be immoral or injurious to innocent people has been emphasized by many writers on sovereignty from Jean Bodin to Lord Hugh Cecil. The latter supports his arguments by presenting the following extreme case: "Suppose it were shown that the interests of medicine would be greatly assisted by experiments in vivisection upon a human being, no consideration of the advantage to the common good, however great that advantage might be, would justify the State in vivisecting one of its citizens. We would recoil in horror from such a proposal even if the victim were a criminal, but much more if he were an innocent man."

For the Socialist State no such moral limitation of its authority would exist. If it were lawful for a government representing a majority in Parliament to confiscate the private property of some and give it to others, the consequence would obviously be that the same government would have a right to put groups of citizens to death for the mere reason that they were undesirable from the Socialist point of view. In fact, this line of action has actually been taken by the Socialist leaders in Russia, Finland, the Baltic States, and other countries where Socialist principles have been put into practice.

The exercise of sovereignty with regard to property is a most important problem. In a preceding chapter we have seen the danger of excessive State-

interference with private ownership, since it leads inevitably to serious disturbances of the social equilibrium. Let us consider here the moral aspect of the problem, that we may understand the moral limits to sovereignty in this respect.

It is common experience that new and easy access to wealth may open the door to all sorts of misery and may ruin the lives of those who would have led a happy life so long as they remained poor. However, the psychological foundation of the claim for the equal distribution of wealth is easy to understand, human nature being such that very often man desires most that which he does not possess.

At a hasty glance there may seem to be some moral justification for this claim, but it is only apparent. In fact it is no more justifiable than the equally impracticable and absurd claim that all men should be equal in size, equal in health and equal in happiness. Further, we must not forget the important fact that, very often, man is happier when he has something to which he can look forward than when he has got everything and has nothing to desire. That is the point where the Hedonist theories of pleasure and the ethics of Socialism break down hopelessly. Finally we must remember that, even though it could hardly be laid down as a general rule, Nature frequently distributes its gifts with justice. A poor man may be healthy and strong, or possess other qualities for which a

wealthy man might be willing to give all his fortune. It is in no way certain that equal distribution of wealth would lead to a more equal distribution of happiness.

Supposing there were a society in which everybody was equally rich, equally healthy and equally lazy, where nobody was ever hungry, thirsty or tired, where there was never a necessity for straining one's power to the uttermost, where there was no suffering and therefore no opportunity for helpfulness and charity, where there was no reward for individual ability and deeds of valour, where generosity and noble qualities were never needed and did not count, where in fact everything was equal, uniform and colourless—would it be pleasant to live in a society of that kind? Should we not be longing to go back to the battles and strain and even sufferings of our present life? Finally, we must remember that for many the safest and shortest way to real and lasting happiness leads through reverses and even sufferings.

From all this we see that the claims for an equal distribution of wealth have no moral foundation. This fact of itself proves sufficiently that these claims cannot be based on rights, because if they were there would always be the moral obligation to meet them. Moreover, we must remember that for a citizen to own a great fortune is not a privilege conferred on him and other wealthy people only, for all citizens have the same *right*. The

property of any citizen would enjoy the same protection from the State should he become wealthy by inheritance, by the exercise of business-foresight, by thrift or even by chance.

In fact to equalize the distribution of wealth by confiscation, thus making people unequal before the law, would amount to the same as remedying a fictitious injustice by committing a real one. It is the undoubted right of the citizens to resist such a law by all the means in their power.

From the moral point of view the case for prevention of destitution is far stronger than that for equal distribution of wealth. The principle that State-interference is justifiable in order to relieve the poor was recognized by the Poor Law of Queen Elizabeth, and there is no political Party to-day which would dispute that principle. On the other hand, there is considerable disagreement between the Parties as to the motives for this attitude.

Some hold that the claim for protection is one of justice, whereas others deny this and consider that State-interference in such a case is a matter of national charity, or gratitude for services rendered, or simply one of expediency. No one of these views seems quite satisfactory, because in the problem of relieving the poor the matter of charity very largely coincides with that of justice. But it is clear that relief on charitable grounds should never go beyond what is demanded by justice. Therefore State-interference should be limited

strictly to cases of real urgency, and not aim at an equalization of the distribution of wealth.

We might distinguish between those cases of destitution which are self-inflicted and those which are the result either of illness, accident, infirmity or old-age, or of a temporary displacement of the social equilibrium. In the former cases the charitable motive for State-interference is more prominent, whereas in the latter the demand for justice predominates, because it is the duty of the State to protect the citizens against sufferings caused through no fault of their own. The claim upon the State is particularly strong when the sufferings are the result of a displacement of the social equilibrium for which the State-authorities are themselves wholly or partly responsible.

Take the case of a post-war depression like the present one, where the whole equilibrium of society has been disturbed. It is clear that the workers thrown out of employment because of the depression have a special claim for protection from the State. In this case unemployment is not self-inflicted, for even if the workers were willing to accept wages below the level of subsistence the industrial situation is such that the unemployed would nevertheless find no employment. It can hardly be said that in this case State-interference for the relief of the workers is a matter of charity. When destitution is caused by a displacement of the social equilibrium the State merely fulfils one of its ob-

jects in bringing relief to the suffering citizens. But the State must be careful to keep within the limits of sound economy, not prolonging the crisis by lavish expenditure and indiscriminate relief.

The long-established system of jurisprudence based upon rights has proved inconvenient to certain modern schools of thought; these have ventured to turn the whole system upside down by the simple means of declaring that society should be organized primarily for the performance of duties, not for the maintenance of rights, and that the rights which it protects should be only those which are necessary for the discharge of social obligations. By this is meant that there should be no right of inheritance and that the right to protection of property should be limited to very small fortunes. A brilliant idea intended to form the nucleus of a Socialist moral philosophy!

What the advocates of this new system of moral philosophy apparently do not understand is this, that it would be contrary to the principles of public morality to take away protection from one but grant it to another. Moreover, they do not realize that the present organization of society, based on rights, is at the same time the most perfect organization for the discharge of obligations.

Their ideas have been dealt with in this connection not because they are of any great importance but because they are closely connected with the

pluralistic theories of sovereignty developed by Léon Duguit and H. J. Laski.

Duguit thinks that the conception of sovereignty must change with the development of the State-functions. So long as the State was merely an organization for protection and defence the interpretation of sovereignty as the supreme and indivisible power of the State-authorities held good. In Duguit's opinion, however, the modern State is chiefly concerned with the promotion of welfare, and society should be organized primarily for the fulfilment of public service. Under these conditions the older conception of sovereignty is no longer possible. Emphasis must be laid more upon the duties of the State than upon its sovereign rights. The characteristic feature of the State is no longer sovereignty, strictly speaking, but public service.

Laski goes a step further in declaring that the sovereignty of the State is neither absolute nor indivisible, and that the actions of the State are not entitled to any special degree of moral sanction. There are social groups within the State, such as trade-unions and other associations, which fulfil important services to the community; and these organizations have as great a claim to sovereignty as the State, which has to compete with them for the support of the individuals.

The great mistakes of Duguit and Laski are largely due to the fact that they do not distinguish between the sovereignty of the people, which is

supreme, and the representative sovereignty of the State-authorities which is limited.

The suggestion that the trade-unions and other associations should be raised to a position of sovereignty is absurd. It would mean that they would be placed outside the ordinary law and would be authorized to legislate especially for themselves and their members.

This would result in their being given complete liberty to choose their methods, and then they might easily be tempted to terrorize the community to further their own private interests. Other organizations (such as employers' associations, joint-stock companies and sects) would of course be justified in claiming the same freedom. It stands to reason that any community attempting social reform on these lines would be faced immediately with chaos and anarchy. Moreover, it would lead to a dissolution of national bonds. Many of these organizations, being founded on an international basis, would obviously act on international lines, and an organization in one country would be at liberty to interfere with the internal conditions of other nations.

The above reasons are sufficient proof that it is impossible to place any organizations, however strong or beneficent, outside the law of their country, and that no organization other than the State itself can be allowed sovereign rights.

On the other hand, the recognition by the State

of many associations as representative bodies has actually taken place, and in most countries they are represented on various government-boards dealing with matters within their special spheres of activity. This means that the State has begun to recognize their usefulness for avoiding conflicts and facilitating the settlement of disputes. But it is from the point of view of expediency alone that States have found it worth their while to allocate some of their powers to such representative bodies. It is a mistake to think that because the State has recognized these bodies as useful for public service it has thereby surrendered some of its sovereignty.

There are those who argue that the whole theory of sovereignty must be altered, since the State is no longer a sovereign unit but merely a federation of mutually sovereign groups. However, we must remember that so long as the State keeps the whole field of legislation and justice to itself there can never be any question of other sovereign groups within the nation.

In this connection a few words may be said about the proposal to introduce a new electoral system based on professional groups. The advocates of that system have criticized severely the present system of representation on the ground that it is founded on a territorial basis and therefore affords no proper representation of the interests of the various groups of citizens. People living in the same constituency, they argue, have fewer interests in

common than those who belong to the same social group or profession, such as farmers, manufacturers, manual workers, merchants, State-employees, etc. For this reason they consider that representation on professional lines would be more satisfactory, and would further the real interests of the citizens more adequately than the present system.

Undoubtedly there is something to be said in favour of such a system, but very likely it would never work in practice. The advantage of the system would be that it might afford a better guarantee than the present system against excessive influence on the government by one particular group of citizens. A purely industrialist or a purely labour government could never exist under such a system. On the other hand, it would mean an intrusion on the individual liberty of the electors who could vote only for the representatives of their own class or profession. Moreover, this system would increase rather than smooth down the differences between social classes and groups.

A characteristic feature of the present system is that, to a large extent, the members of Parliament do not represent the interests of a particular class or profession but stand for the welfare of the nation as a whole. It is in this light that they have to consider all matters of policy—economic or not. This system undoubtedly makes the adjustment of differences easier than if matters were to be dealt

with primarily with regard to the selfish interests of classes or professions, as would be the inevitable result of a system of professional representation. Matters would be presented on lines of naked self-interest, and a united national policy would be rendered almost impossible.

CHAPTER VI

SOVEREIGNTY AND THE LEAGUE OF NATIONS

"As all the world is aware, the League of Nations, in its present shape, is not the League designed by the framers of the Covenant."

Austen Chamberlain

In what way and to what extent the establishment of the League of Nations has affected the sovereignty of its Members is one of the most interesting problems of political theory to-day. But before entering upon this vexed and much disputed question let us consider briefly the conditions which led up to the establishment of this organization.

During the last generation, industry, commerce and finance have developed more and more on international lines, and nations have become more dependent upon each other than they have been at any previous period in the history of man. This is very largely the result of the rapid development of the means of transport and communication which has rendered possible not only the long-distance conveyance of raw material, food-stuffs and manufactured goods, but also the immediate transmission

of orders by telegraph, from one corner of the globe to another. This development has enabled nations to conquer new markets for their trade and to compete effectively with distant nations and peoples of other continents. This in turn has caused a considerable change in the industrial distribution of the world, leading to greater specialization. Most countries have had to re-frame their industries and trade to fit the new conditions. They have been compelled to concentrate their productive powers on those industries for which their natural conditions are most favourable, and to rely to a much larger extent than formerly on the import of standard products from other countries. The result of it all has been that nations have become far less independent than they were at earlier periods, both as regards the necessities of life and as regards raw material for their industries.

It is clear that every disturbance of this system of international distribution must seriously affect the conditions of the various nations. Thus, for instance, an economic crisis in one country rapidly spreads to other countries. The system is so interwoven, and competition is so keen, that an improvement of the social conditions of the workers by factory-laws, shorter working-time, and higher wages, cannot be carried out by one country alone without the risk of ruining its industries. Here international regulations are absolutely essential.

The situation created by a war shows most

clearly the interdependence of nations. A war going on in one part of the world is certain to lead to an industrial boom elsewhere, and in the same way the cessation of hostilities is bound to cause depression. Moreover, experience in the Great War has proved that the disturbance of the industrial system and the cutting-off of supplies may cause grievances, not only to the combatants, but also to neutrals who ordinarily rely on these supplies received in exchange for their goods.

Finally, we must remember that there are companies and firms in every nation which possess organizations abroad, and that the commercial and industrial interdependence of modern communities and the facilities for travelling have enormously increased the circulation of people outside their own countries. Companies as well as individuals need diplomatic protection, and the settlement of legal matters arising out of their commercial or other activities abroad ought to be possible. Traffic by land, sea and air, postal and telegraphic communications and labour and industrial conditions all need to be regulated by international conventions.

As a result a vast system of international agreements has gradually developed. By these agreements the various States have accepted obligations or undertaken to refrain from certain actions in order to facilitate international relations. In this way limits have been imposed on the activities of the contracting parties, but it seems a mistake to

argue that the sovereignty of the respective States is thereby impaired, since each State has entered into these agreements of its own free will and for its own benefit.

It is important to distinguish between, on the one hand, an ordinary convention according to which the contracting parties undertake certain obligations under clearly defined circumstances, and, on the other hand, a pledge to certain conduct or actions—as under the Covenant of the League of Nations or the Protocol—before the circumstances of the case are known, and leaving the initiative to an outside body such as the Council of the League. In the former instance the sovereignty of the States is preserved, whereas in the latter they have contracted out of important sovereign rights. I will return to this matter presently in connection with my investigation into the Covenant of the League of Nations.

The idea of preventing wars by international organization is old, but it was not until the First Hague Conference that this idea took a definite shape. The Great War produced the necessary incentive for another great step in the same direction and the League of Nations came into existence.

The Covenant, under which the League of Nations was established, is a typical product of the atmosphere which prevailed at the Peace Conference. It is a peculiar mixture of great statesman-

ship, sublime idealism, and implacability almost bordering on pig-headedness—all characteristic features of the negotiations at Versailles.

The first great error was to combine the Covenant with the Peace Treaty, a fact for which President Wilson, mainly, was responsible. He assumed that he might in this way get round his political opponents who were in favour of the Treaty but opposed to the Covenant. However, he reckoned without his host. As we know, his plans were baffled by Congress, which decided to reject the whole Treaty rather than ratify the Covenant.

There is no doubt that American co-operation within the League of Nations might have been secured if only their chief representative had pursued the wiser course of ascertaining public opinion in his country and laying its *desiderata* before the Peace Conference, instead of, as he did, deliberately keeping Congress out of touch with the negotiations. In fact his autocratic disposition made him go even so far as to keep his own staff in ignorance of important matters, thereby placing them in the humiliating position of having to gather necessary information from the representatives of other nations at the Conference. It was inevitable that a policy of this kind should result in suspicion and confusion.

No nation was more keenly interested in the establishment of the League than the United States.

This is most important to remember, not only because the American support was needed urgently—since both Russia and Germany were left outside the League—but also because the Covenant under which the League was set up was framed on the clear understanding that the United States would become one of the leading powers of the League. It was obvious, therefore, that the American refusal to join the League would lead to confusion and considerably handicap the League from the very beginning of its activity.

According to the Covenant the League of Nations was set up in order to promote international co-operation and maintain international peace and security by the following rules of conduct: the acceptance of obligations not to resort to war; the establishment of open, just and honourable relations between nations; the firm establishment of the understandings of international law; the maintenance of justice; and, a scrupulous respect for all treaty-obligations in the dealings of organized peoples with each other.

It has been denied over and over again, even in authoritative quarters, that the provisions of the Covenant have impaired in any way the sovereignty of the States affiliated to the League. The Covenant, it is true, preserves the sovereignty of the members in so far as amendments of the Covenant and decisions of the League are concerned; but,

as we shall see presently, the ratification of the Covenant means that the signatories have contracted out of important sovereign rights.

It is not compulsory for any State to join the League, and Members are at liberty to withdraw from the League after two years' notice provided they have fulfilled all their international obligations and obligations under the Covenant.

Amendments to the Covenant take effect when ratified by a majority of all States affiliated to the League, provided the States represented on the Council (the Great Powers and six Minor Powers) have unanimously agreed to the amendment. No such amendment shall bind any Member of the League which signifies its dissent therefrom, but in that case it shall cease to be a Member.

This provision* is obviously intended to safeguard the sovereignty of the several States. It is quite conceivable, however, that a situation might arise in which it would be most inconvenient for a nation to place itself outside the protection of the League, and that to avoid this it may be compelled to agree to an amendment—passed by a majority of the other Members—to which it would not otherwise give its consent.

As regards matters which do not concern the Covenant the Members are secured complete sovereignty. Thus no decision of substance can be

* As it stands this provision clearly makes it possible for a Member to withdraw from the League without observing the special stipulations for withdrawal.

passed, either in the Assembly or in the Council, without the unanimous consent of all the Members represented at the meeting. To avoid deadlock arising out of this provision it has been found necessary to turn certain resolutions into recommendations which are passed by a majority-vote. Neither a decision nor a recommendation becomes binding on a government until it has been ratified by it. Thus the vote of the representatives on the Council or the Assembly cannot commit a nation to any policy; but since these representatives are acting on instructions from their respective governments their votes undoubtedly indicate the attitude of these governments.

Whereas by the provisions referred to above the sovereignty of the various States has been preserved, there are several clauses in the Covenant which imply a surrender of sovereign rights to the League.

Under Article 10 of the Covenant the Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League. In case of any aggression or in case of any threat or danger of such aggression, the Council shall advise upon the means by which this obligation shall be fulfilled.

Article 11 declares that any war or threat of war, whether immediately affecting any Member of the League or not, is a matter of concern to the whole

League, and that the League shall take any action that may be deemed wise and effectual to safeguard international peace.

In Article 12 the Members pledge themselves to submit any dispute which may arise between them to either arbitration, judicial settlement, or inquiry by the Council. They agree that in no case will they resort to war until three months after the award by the arbitrators, the judicial decision, or the report of the Council—the award or decision to be made within a reasonable time, and the report of the Council to be presented within six months of the date of the submission of the dispute.

Should any Member of the League resort to war in disregard of these provisions it shall *ipso facto* be deemed to have committed an act of war against all other Members of the League, who undertake immediately to subject it to the severance of all trade or financial relations. Moreover, the Members of the League agree to prohibit all intercourse between their nationals and the nationals of the offending State, and also to prevent all intercourse between that nation and other nations, whether they are Members of the League or not. The Members undertake to support each other mutually in the financial and economic measures which are carried out under this article (16), and to afford passage through their territory to the forces of any nations co-operating to protect the covenants of the League. Finally, it shall be the duty of the

Council in such case to recommend what effective military, naval, and air force each Member of the League shall contribute to the armed forces used for the protection of the Covenants.

Article 17 contains the remarkable provision that Members have to fulfil these obligations also in the event of a dispute between a Member and a State which is not affiliated to the League, provided that this latter on invitation has refused to join the League and resorts to war contrary to the provisions of Article 12.

Finally, we must draw attention to the stipulation of Article 18 that every treaty or international engagement shall be duly registered and published by the Secretariat of the League and that it shall not be binding on the parties until it has been thus registered.

It is obvious that every State signing the Covenant of the League has pledged itself through the above provisions to surrender important sovereign rights. Not only has its freedom to declare war been restricted considerably, but it is liable to be dragged into a war contrary to its own will, either against a Member which has broken its pledges under the Covenant, or against a State which is not a Member of the League. It has not, it is true, pledged itself to undertake military operations, although it might be expected to do so; but it is bound by the terms of the Covenant to permit the transport of foreign troops through its terri-

tory, and also to prevent all intercourse with a nation on which the League has decided to exercise economic pressure, however much it may be dependent upon the maintenance of undisturbed financial and commercial relations with that country. Finally, it has agreed not to accept any secret treaties as legally binding.

However much it may be denied that the Covenant affects the sovereignty of the States affiliated to the League, consideration of the above provisions of the document is sufficient proof that the sovereignty of the States has been impaired. Although sovereignty has been preserved as regards decisions of the League, the signatories have pledged themselves definitely to perform certain acts, and to refrain from others, without any reservation with regard to the circumstances of each case. Thus, if a Member of the League, whoever it is, resort to war in contravention to the provisions of the Covenant, and if a State which is not a Member attack one of the signatories without observing these provisions, all other Members have pledged themselves to apply economic sanctions and grant free passage of troops. To act to the contrary would mean a clear breach of their pledges under the Covenant.

It is obvious, therefore, that the signatories have surrendered their right to decide in each particular case whether or no they will join in the ac-

tion against the offending State. In fact this was one of the main reasons why the United States Congress repudiated the Covenant.

The famous resolution of the Senate on March 19th, 1920, contained the following reservations with regard to Articles 10 and 16 of the Covenant:

"The United States assumes no obligation to preserve the territorial integrity or political independence of any other country by the employment of its military or naval forces, its resources, or any form of economic discrimination, or to interfere in any way in controversies between nations, including all controversies relating to territorial integrity or political independence, whether Members of the League or not, under the provisions of Article 10, or to employ the military or naval forces of the United States, under any Article of the Treaty for any purpose, unless in any particular case the Congress, which, under the Constitution, has the sole power to declare war or authorise the employment of the military or naval forces of the United States, shall, in the exercise of full liberty of action, by act or joint resolution so provide."

"The United States reserves the right to permit, in its discretion, the nationals of a covenant-breaking State, as defined in Article 16 of the Covenant of the League of Nations, residing within the United States or in countries other than such covenant-breaking State, to continue their commercial, financial, and personal relations with the nationals of the United States."

These reservations show clearly that the Senate was fully aware of the great responsibility which acceptance of the above Articles would involve.

Canada also disapproved of the intrusion upon sovereignty which a strict interpretation of Article 10 undoubtedly meant, and at the First Assembly of the League of Nations her delegates proposed the abolition of this Article. This proposal was never carried, but the Second Assembly appointed a Committee to inquire into the matter. The finding of this Committee was that Article 10 involved no obligation to prevent the *status quo* from being changed by war, but merely the duty to prevent any such change arising from a war started in contravention of the Covenant's provisions for mediation and delay. This obvious misinterpretation only made matters worse, and at the Third Assembly the Canadian delegation proposed two new amendments.

The first amendment provided that the Council, when advising upon the means by which the territorial integrity and the existing political independence of a Member should be protected, should take "into account the political and geographical circumstances of each State."

The second amendment was as follows: "The opinion given by the Council in such cases shall be regarded as a matter of the highest importance, and shall be taken into consideration by all Members of the League, which shall use their utmost endeavours to conform to the conclusion of the Council; but no Member shall be under the obligation to engage in any act of war without the consent

of its Parliament, Legislature or other representative body."

It was obvious that this clear-cut amendment, had little chance of being carried since it would never meet with the approval of certain States who jealously guard every word in the Covenant that sounds like protection, even if this protection is only imaginary. The matter was adjourned to the Fourth Assembly, and meanwhile the Council made an inquiry as to the opinions of the various governments regarding Article 10 and the Canadian amendment. This inquiry showed with remarkable clearness how urgently an amendment was needed, since the Members differed widely as to the interpretation of Article 10. However, an amendment of this Article was certain to be defeated. Instead, the following "interpretative resolution" was proposed:

"It is for the constitutional authorities of each Member to decide, in reference to the obligation of preserving the independence and the integrity of the territory of Members, in what degree the Member is bound to assure the execution of this obligation by employment of its military forces."

But even this resolution, supported by the representatives of the British Empire, France, Italy, Sweden, Spain, Holland, Belgium, Japan, etc., was defeated. Poland, Czecho-Slovakia, Finland, Estonia, Latvia and Lithuania—all nations which are likely to need rather than yield protection—ab-

stained from voting. The motion fell on the single vote of Persia, which voted against it. However, the President of the Assembly did not declare the motion rejected since in his opinion it could not be argued that the Assembly in voting as it had done had pronounced in favour of the opposite interpretation.

This decision and the remarks in the British Report on the Assembly that the resolution "though of no binding effect, will no doubt in practice have a great influence on the conduct of Members," throw some light on the working and procedure of the international Parliament. In fact they prove clearly that the Covenant, at least as regards those propositions which have been found impracticable by a majority of the signatories but can only be altered by a unanimous vote, is a mere "scrap of paper."

The tacit consent to such a state of affairs is hardly compatible with the spirit that ought to govern the actions of the League of Nations.

Another Article of the Covenant which has been subject to keen controversies is Article 16. As we have seen, this Article, too, affects directly the sovereignty of the individual States affiliated to the League. The original text of this clause is still in force, although amendments have been passed and ratified by several Members.

The main provisions of this Article are as follows:

- (1) Members resorting to war in defiance of the Covenant's provisions shall be subjected immediately to economic sanctions by all other Members.
- (2) The Council shall recommend what military measures shall be taken against the aggressor.
- (3) The Members shall support each other financially so as to minimize the economic inconveniences of the above measures.
- (4) They shall afford free passage of troops through their territories.

The question of amending this Article was taken up by the Second Assembly at the wish of the smaller nations, who pointed out that the obligations under it might prove fatal to a Minor Power if applied to a great neighbour. In accordance with their demand several amendments were adopted which aimed at making the Article more elastic and less severe. Thus all reference to military measures and transport of troops was cut out; the Council had to give its opinion as to whether a breach of the Covenant had actually taken place and to notify the Members as to the date they recommend for the application of economic sanctions; and finally the Council may, in the case of particular Members, postpone the coming into force of any of the measures provided for in the Article.

It is doubtful whether on the whole these amend-

ments are any improvement on the original text. First of all, the removal of every reference to military measures tends to weaken the Covenant. What should be prevented is not military action in support of the Covenant, but all undue intrusion on the sovereignty of the individual States. If only the freedom of the Members to decide for themselves through their respective parliaments whether they will join in the measures recommended by the League is recognized, reference to military measures is justified and will strengthen the position of the League. Nor is the removal of the clause concerning the transport of troops through Members' territories an improvement on the original text, since this clause is essential for the fulfilment of the other engagements under Article 16.

The provision in the amendment that the Council has to decide (in the case of a Member resorting to war) whether a breach of the Covenant has actually taken place, and when the application of economic sanctions has to begin (according to Article 16 of the Covenant they have to be applied *immediately*), does not restore the right of the Members to decide for themselves in each case whether they will apply economic sanctions or not, should the opinion expressed by the Council be unanimous. If, on the other hand, unanimity is not reached—either because there is not a clear case, or because one or several Members of the

Council (seeing that such measures might involve a serious danger to the peace of the world) oppose the application of sanctions—then all other Members are free to act as they think right. Whatever attitude they may take, there cannot then be a question of a *de jure* breach of the Covenant, though their refusal to act might mean a *de facto* violation thereof.

The best way out of the difficulty seems to be to leave every Member to decide for himself in each case whether he will or will not apply economic or military sanctions.

The present position is all the more untenable as several Members have declared that, according to their interpretation of the Covenant, their respective parliaments still retain complete freedom as regards the application of sanctions.

Article 18 of the Covenant, declaring secret treaties invalid, has given rise to considerable criticism, and the question of amending this Article has been raised on several occasions.

Thus, early in the proceedings, the First Assembly of the League requested the Council to appoint a Committee to inquire into the matter. This Committee in its report recommended that technical conventions should be exempted from registration and that non-registration of a treaty should merely imply that no appeal to the League could be made for the fulfilment of its provisions; it should not mean that the terms of the treaty were void. An

amendment of the Covenant on these lines would obviously have meant, firstly, the sanctioning by the League of the principle of concluding secret military agreements; and, secondly, that secret treaties were matters of no concern to the League or international jurisdiction. The Committee based their recommendations on the assumption that the standard of international morality was not sufficiently high to render possible a general application of the above Article.

In fact, subsequent events have proved that the assumption of the Committee was correct. Thus, military agreements have been concluded between various States of which the provisions are kept secret. Although registered by the Secretariat they have not been published in accordance with the provisions of the Covenant.

The Assembly refused to carry the amendment of the Committee, but for the prestige of the League it is to be hoped that the matter will be taken up again. To ensure the settlement of this question there are only two alternatives: either to leave the clause as it stands and insist strictly upon its application, or else so to amend it in accordance with the recommendations of the Committee as to make it agree with the present situation. It is high time that the practice of maintaining a clause, which the signatory powers are free to violate and interpret as they like, should be stopped.

After having pursued for several years a policy

of moderation, the League suddenly swerved, turning ambitious almost to the point of aggressiveness. Several causes contributed to this result. The Treaty of Mutual Assistance had fallen through, and the governments in Paris, Prague and Warsaw turned to the League of Nations for guarantees of the Versailles divisions of Central Europe. Moreover, the Socialists and Radicals in Great Britain and France had been successful at the polls and were seeking an opportunity to demonstrate that they were more peace-loving than their predecessors.

This sudden change of policy found expression in the adoption by the Fifth Assembly of the draft Protocol for the Pacific Settlement of International Disputes. Although the prospects for the acceptance of the Protocol, even in a modified form, seem very slight, it is nevertheless a most important document which is worthy of careful consideration. In this connection we shall consider its provisions merely with regard to their relation to the Covenant and to the sovereignty of Members. In the following chapter it will be examined in connection with the general problem of security.

Even a cursory glance at the Protocol reveals, not only dangerous traps and impracticable proposals, but also the fact that it tends to defeat its own ends—that is, to create wars instead of preventing them.

It should not be denied that the Protocol might

clear certain ambiguous points in the Covenant. But this explicitness, partly at any rate, would be bought at the price of even greater restrictions on the sovereignty of the States than those already imposed by the Covenant. There is a lack of proportion between the obligations imposed and the likelihood of their fulfilment which would make the whole system of the League artificial and impracticable.

The object of the Protocol is "to facilitate the reduction and limitation of armaments provided for in Article 9 of the Covenant of the League of Nations by guaranteeing the security of States through the development of methods for the pacific settlement of all international disputes and the effective condemnation of aggressive war."

Whereas the Covenant, as it stands, is open to several interpretations as regards Members' obligations in the case of a war started in contravention of the provisions for mediation and delay, the Protocol intends to make only one interpretation possible.

According to M. Bénès, the Chairman and *rapporteur* of one of the two Committees drafting the Protocol, the present position is this:

If in the case of a dispute mediation is unsuccessful and war breaks out, the Council, if *unanimous*, has to express an opinion as to which party is guilty. The Members of the League then decide for themselves whether this opinion is justified and

if so whether the obligations to apply economic sanctions should become operative. It then has, *by a unanimous decision*, to recommend military sanctions. If unanimity cannot be obtained, the Council ceases to take action and each party is practically free to act as it chooses. At present a State seeking to elude the obligations of the Covenant can reckon on two means of escape: the Council's recommendations need not be followed; or the Council may fail to obtain unanimity, making impossible any declaration of aggression, so that no obligation to apply military sanctions will be imposed and everyone will remain free to act as he chooses. These two loopholes would be closed by the Protocol.

We do not think that this interpretation corresponds quite with the actual meaning of the Covenant and if it expresses the official opinion of the League it is another proof of the ambiguity of that document.

Really to understand the provisions of the Covenant with regard to the prevention of aggressive wars it is necessary to distinguish between the provisions of Articles 10 and 16.

As we know, the former has been interpreted by a Committee in such a way as to involve no obligation on any Member to prevent all wars of aggression but only wars started in defiance of the Covenant's provisions for mediation and delay. Properly interpreted, however, this Article means

that the Members have undertaken to prevent all aggressive wars. But in the absence of any provision to ensure the fulfilment of their obligations under Article 10 other than that the Council shall advise upon the means to be adopted therefor, the Members of the League are free to judge as to the extent to which they will follow the recommendations of the Council, provided that the war of aggression does not come under the provisions of Article 16.

If in the case of a dispute mediation is unsuccessful and war breaks out, the Council can *under Article 16* take no action unless war is started in contravention of the provisions concerning mediation and delay.

If, on the other hand, a breach of these provisions has taken place (*e.g.*, if one or both parties to a dispute have resorted to war earlier than stipulated in Article 12), and if this fact has been confirmed through a *unanimous* resolution of the Council, then the Members *immediately* have to apply economic sanctions. Thus they are not free to decide and act according to their own judgment of the case.

As regards military action the position is different. Here the measures to be taken depend upon recommendations by the Council. These recommendations should be based on a unanimous decision, since it is one "of substance." It rests with the respective governments to decide if, and

to what extent, they will follow the *recommendations* of the Council as regards military measures.

Let us now consider what would be the situation if the Protocol were carried.

In Article 2 of the Protocol "the signatory States agree in no case to resort to war with one another or against a State which, if the occasion arises, accepts all obligations hereinafter set out, except in the case of resistance to acts of aggression or when acting in agreement with the Council or Assembly of the League of Nations in accordance with the provisions of the Covenant and of the present Protocol."

Article 10 declares that "in the event of hostilities having broken out, any State shall be presumed to be an aggressor, *unless a decision of the Council, which must be taken unanimously, shall otherwise declare*" * if it has refused to accept the procedure of pacific settlement or the decisions resulting therefrom; or if it has violated provisional measures enjoined by the Council for the period when the above-mentioned procedure was in progress; or, finally, if it has resorted to war on a matter which by international law lies exclusively within the domestic jurisdiction of another State.

If the Council cannot immediately decide who is the aggressor it shall arrange an armistice, and any

* The Italics are mine.

party refusing to accept the armistice will *ipso facto* be deemed the aggressor.

The Council shall call upon the signatories of the Protocol to apply against the aggressor the economic and military sanctions provided for in Article 16 of the Covenant, and it constitutes a breach of the Protocol for any signatory not to comply immediately with the request of the Council. Every signatory has, in addition, to co-operate loyally and effectively in support of the League in all matters relating to the supply of raw materials, credits, transport, transit, etc.

The Protocol restores the right of the Council to take action even in the case of wars which are not started in contravention of the procedure prescribed by the Covenant.

The Protocol would mean a further intrusion upon the sovereignty of the States affiliated to the League—an intrusion all the more serious because it involves the supreme issues of life and death. To transfer the sovereign right to decide over peace and war from the national parliaments to the Council of the League of Nations would be contrary to the fundamental principles of representative government. A nation might in this way be driven into a war contrary to its own desire and vital interests.

There are several reasons why an extension of the authority of the League at the expense of the

sovereignty of its Members cannot take place at the present time and would not be desirable.

First of all we must remember that so long as Russia and the United States remain outside the League, the Members cannot take the risk of being ordered to war by the Council against any of these nations. Moreover, the economic sanctions provided for in the Covenant are bound to be inefficient so long as these big countries are free to supply the blockaded nation with practically everything they might require.

It has sometimes been suggested that the League might be of use in connection with solving the question of the effective participation of the Dominions in the foreign policy of the British Empire, and in confirming the status of the Dominions as independent nations. It has been proposed, also, that disputes which may arise between the various parts of the Empire should fall within the authority of the League, and after the murder of the Sirdar in Egypt many voices were raised on the Continent to prevent Great Britain from taking justice into her own hands, and to make the British Government submit the case to the League of Nations.

It is obvious that a policy on these lines would tend to break up the British Empire, and the declaration of Mr. Chamberlain that "His Majesty's Government have consistently taken the view that neither the Covenant nor any conventions con-

cluded under the auspices of the League are intended to govern the relations *inter se* of the various parts of the British Commonwealth" must be regarded with satisfaction. In fact any attempt on the part of the League to question this principle and interfere with British sovereignty would be fatal to the existence of the League, for which British support is indispensable.

It is not impossible that Germany's admission to the League might prepare the way for the entry of the United States of America. In fact the Americans have begun to realize that after all it might be to their advantage to join the League. Thus it has become more and more evident that the self-governing British Dominions, to whose separate representation on the League the Senate objected so strongly, are very much in the same position as the United States, and have similar interests to guard. It may well be, therefore, that in vital matters the United States can reckon on their support. Moreover, there are many people who have begun to see that isolation in matters of international policy might place the United States at a great disadvantage.

Let us quote the following interesting statement of Professor Lawrence Lowell, the President of Harvard University:

"Another observation to be made on the framing of the Protocol, with the Japanese amendments, is our mistake in not taking part

in world-conferences where important principles may be evolved. Of course if we do not take part they do not bind us, but they may nevertheless have an effect upon us. The adoption of principles of international law or conduct by almost all other civilized countries, contrary to our ideas and interests, does not force us to adopt them; but it does tend to establish them in the eyes of mankind as common international law and the proper manner of dealing with international relations."

It is to be hoped sincerely that a way can be found for the United States to join the League of Nations. A revision of the Covenant in collaboration with American representatives is certainly one way, and one which is most natural, since, as we have seen, a revision of the Covenant is urgently needed.

The League of Nations has a great mission to fulfil, and we must insist on giving it a fair chance to discharge its task. But this does not mean, as some think, that the constitution and activity of the League should be exempted from all criticism. On the contrary, to become what it ought to be the League must be watched carefully and criticized with a view to improving up to the highest point of perfection its policy and the international machinery it handles.

The importance of the League lies first of all in the fact that it affords a centre for international negotiations, a common ground where statesmen

from all over the world meet to discuss in person the great issues of world-policy, and a tribunal before which they can lay their international grievances and financial troubles.

Moreover, it affords a machinery for the settlement of legal disputes between nations; for the drawing-up of international agreements regarding the conditions of labour, transport, transit, and health; and for the prevention of traffic in women and children, in dangerous drugs, in arms, etc.

So long as the League concentrates its activity on the fulfilment of these and similar tasks it remains on safe ground. But as soon as it goes beyond its proper sphere of activity, especially when interfering with the sovereignty of its Members, it reaches a danger-zone and might at any moment be swallowed up by an eruption. It is of the utmost importance, therefore, that the League should keep well away from any such interference.

It is a fundamental principle of legislation that no provisions should be made which cannot be enforced by government. International law is different in so far as there is no supreme power to enforce its provisions; but a similar principle still applies here. Therefore, no regulations should be made which are not likely to be observed when put to the test. Several of the provisions contained in the Covenant have already proved that they will not stand the test. The League, we must remember, is looked upon by many with suspicion and,

although wrongly, is not infrequently represented as a fantastic organization too far above the realities of life to serve any useful purpose. It is therefore essential for its prestige that all provisions should be removed from the Covenant which might convey such an impression. Moreover, the meaning of the Covenant must be made clear. The present state of confusion, due to the incoherent drafting of the document, must be brought to an end, and an authority must be established which has the power to interpret the bearing of its various provisions.

The League will never fulfil its great mission in the world unless it keeps strictly within the limits of its capacity. These limits might be extended gradually as the present chaotic conditions in Europe and elsewhere are settled; but hasty action on the part of the League is bound to injure rather than promote its cause. Every step it takes must be weighed carefully and the greatest precautions must be taken in order not to precipitate events and bring about disaster.

CHAPTER VII

BEFORE LOCARNO

"A quaking bog ready to engulf the peoples living on its borders."

Stanley Baldwin

THE RHINE PROBLEM

Before the conclusion of the Locarno Pact the Rhine problem was the crux of the European situation, not only because the question of reparations was closely dependent upon a settlement of the matter and the Germans were most anxious for such a settlement at an early date, but also because no nation in Western or Central Europe could feel secure until this question had been brought to a successful conclusion. It was a fact generally recognized by the statesmen of Europe that a prolongation of the Rhineland occupation beyond the period fixed by the Treaty of Versailles would inevitably lead to very serious complications.

But in this matter important interests were clashing. Both France and Germany had strong positions, supported as they were by legitimate claims, and neither was likely to give way without strong

guarantees for a fair and permanent settlement.

Articles 428-30 of the Treaty of Versailles contain the following provisions:

"As a guarantee for the execution of the present Treaty by Germany, the German territory situated to the West of the Rhine, together with the bridgeheads, will be occupied by the Allied and Associated troops for a period of fifteen years from the coming into force of the present Treaty."

"If the conditions of the present Treaty are faithfully carried out by Germany, the occupation will be successively restricted." (The Cologne Zone to be evacuated at the expiration of five years, the Coblenz Zone after ten years, and the Mainz Zone after another five years.)

"If at that date *the guarantees against unprovoked aggression* by Germany are not considered sufficient by the Allied and Associated Governments, the evacuation of the occupying troops may be delayed to the extent regarded as necessary for the purpose of obtaining the required guarantees."

"In case either during the occupation or after the expiration of the fifteen years referred to above the Reparation Commission finds that Germany refuses to observe the whole or part of her obligations under the present Treaty *with regard to reparation*, the whole or part of the areas specified above will be re-occupied immediately by the Allied and Associated forces." *

There could be no mistake about the import of these clauses. Before Germany had carried out the

* The Italics are mine.

provisions of the Treaty she could have no *legal* claim to the evacuation of the Rhine Provinces. Part VII of the Treaty, relating to penalties and prosecution of war-criminals, had partly been evaded and partly openly repudiated. The Military Control Commission had proved that several clauses under Part V relating to the effectives and cadres of the German army, to recruiting and military training, to establishments for the manufacture of arms, munitions and other war-material, and to the organization of the German Police, etc., had not been observed. Finally, the provisions concerning reparations contained in Part VIII had never been carried out but were substituted in 1924 by the Dawes Scheme.

Considering these circumstances it was perfectly clear that under the clauses of the Peace Treaty referred to above the Allies were *legally* entitled, in the case of continued failure on the part of Germany to fulfil the terms of the Treaty, to prolong the occupation of the whole of the Rhineland. Even if Great Britain, like the United States, should withdraw her troops from the occupied territory, the legal right of France and Belgium to remain could not be questioned.

In fact the permanent occupation of the Rhineland might have been a *fait accompli* had not the British Government consistently taken up the attitude that the position of Germany would in no way be prejudiced on account of the substitution

of the Dawes Scheme for the reparation-clauses contained in the Treaty, and that the fulfilment of that scheme would be considered as a fulfilment of the provisions of the Treaty with regard to reparations. The British view in this matter has gradually prevailed. Thus the Conference of Ambassadors, after hearing the opinion of the Reparations Commission on the operation of the Dawes Scheme, informed Germany that, as regards the economic clauses of the Peace Treaty, she was considered so far to have fulfilled the conditions required for evacuation.

On the other hand, the Report of the Military Control Commission gave evidence to the effect that Germany was seriously at default as regards the fulfilment of the military requirements of the Versailles Treaty, and, in their Note on Disarmament presented to the German Government, the Allied Governments specified the military conditions with which Germany must comply before she could be considered to have fulfilled the terms of the Treaty, and consequently before the evacuation of the Cologne Zone could begin.* The Note was couched in conciliatory terms throughout, but in accordance with the observations of the Control Commission the Allied Governments strongly emphasized the point that if the defaults were not rectified promptly the German Government would be able "eventually to reconstitute an army

* This condition was not insisted upon. Cp. p. 194.

modelled on the principle of a nation in arms," a danger which had to be prevented.

After the decision of the British Government to prolong the occupation of the Cologne area, public opinion in Germany became very suspicious as to the intentions of the Allies, as regards the Rhineland occupation. In fact it seemed to be the general belief in Germany that the Allies tried to conceal their real intentions in this matter merely because they would otherwise stand very little chance of receiving any more reparations. Consequently the German Government was most anxious to come to a definite settlement of the Rhine problem at an early date, and there was little likelihood that Germany would continue her payments under the Dawes Scheme for another ten years unless she obtained some sort of assurance as regards the fate of the occupied territory at the expiration of the period of fifteen years stipulated in the Treaty of Versailles.

The matter could not be left where it was because it meant a constant threat to the peace of Europe. Let us quote the following serious warning pronounced by Mr. Baldwin in the debate on the Protocol in the House of Commons: "If the maintenance of the occupation of the old enemy territory were prolonged unduly it would lead to a very grave state of things in Europe, which might pass the wit of man to remedy or to surmount." To waive the settlement of the Rhine problem,

through fear of a general upheaval, for another ten years, when the matter would be brought to a head and Germany would be prepared to strike, would have been a very unwise policy indeed. Moreover, the agitation about the future of the Rhineland was at the root of the feeling of insecurity, both in France and in Europe as a whole, and no disarmament could ever be carried-out before this problem had been satisfactorily and permanently solved.

This was the situation in Western Europe before the Locarno Conference.

Let us now turn to the question of Danzig and the Polish frontiers, which was the second in importance of the problems endangering the peace of Europe.

The Polish Frontiers

For a fair judgment as to the Polish Frontier question it is not sufficient—as many seem to think—merely to study the situation on the map. To form an opinion on this important and highly intricate problem it is necessary not only to know the geographical and ethnographical conditions of Poland; one must also take into consideration, on the one hand, the future part which Poland has to play in the protection of Western civilization, and, on the other hand, the conditions which have led up to the present situation.

There are three important principles which

should always be borne in mind when forming any judgment as to the Polish problem:

1. That the Partition of Poland was "one of the greatest wrongs of which history has record, a crime the memory and result of which has for long poisoned the political life of a large portion of the continent of Europe," * and that any act which would weaken her position or threaten her regained liberty would carry with it a formidable responsibility.
2. That Poland has a very important mission to fulfil as a bulwark against aggression on the part of a Bolshevik or Imperialist Russia, and that Germany is the first nation to benefit by this situation.
3. That Poland will never be in a position to fulfil this mission unless she grows strong economically, for which state of affairs a free outlet to the sea and the control of the Silesian coal-mines are essential conditions.

As regards the relations between Poland and Germany, there are three causes of friction due to the Treaty of Versailles and subsequent arrangements: the existence of the Polish Corridor, the status of the Free Town of Danzig, and the delimitation of the frontier in Upper Silesia.

* Quoted from the Allied Note of June 16th, 1919, to the German Delegation at Versailles.

The Polish Corridor

As regards the Polish Corridor we must first of all remember that, apart from the fact that in that district there is a strong Polish majority, it is a vital condition for the future of Poland that she should have an outlet to the sea—a fact which is all the more important because the interests of no less than twenty-seven-million people are dependent upon it. Moreover, we must not forget that the German province of East Prussia is not an original German land, but a German colony for centuries separated from Germany by Polish territory. As pointed out in the Allied Note referred to above, “the interests which *Germans in East Prussia, who number less than two millions*, have in establishing a land connection with Germany, is much less vital than the interests of the whole Polish nation in securing direct access to the sea.” * In this connection it may be of interest also to remember that a very large percentage of the population in the southern part of East Prussia is Polish and speaks Polish. That they voted against Poland at the plebiscite was due largely to the strong influence exercised by the German clergy over the population in this district.

Another point of interest is that even before the War the larger part of the trade between East Prussia and the rest of Germany was sea-borne.

* The Italics are mine.

Finally, the Peace Treaty made special provisions to secure German communication across the intervening Polish territory. Thus article 89 provides that "Poland undertakes to accord freedom of transit to persons, goods, vessels, carriages, waggons and mails, in transit between East Prussia and the rest of Germany, over Polish Territory including territorial waters. . . . Goods in transit shall be exempt from all customs or other similar duties. Freedom of transit will extend to telegraphic and telephonic services."

All the above reasons go to prove that the inconvenience caused to Germany by the separation of East Prussia from the rest of the country by the Polish Corridor is nothing compared with what it would have meant to Poland to be deprived of free access to the sea.

Danzig

Under the Treaty of Versailles the Principal Allied and Associated Powers undertook to establish the town of Danzig with the neighbouring districts as a Free City to be placed under the protection of the League of Nations. A High Commissioner for the city was to be appointed by the League.

Moreover the Treaty provided:

1. That Danzig should be included within the Polish customs-frontiers.

2. That Poland should have the free use and service of all waterways, docks, basins, wharves and other works within the territory of the Free City necessary for Polish imports and exports.
3. That Poland should have the control and administration of the River Vistula and of the whole railway system of the city (except street and other railways which serve primarily the needs of the city), and of postal, telegraphic and telephonic communication between Poland and the Port of Danzig.
4. That the Polish Government should undertake the conduct of the foreign relations of the Free City.

Thus the Treaty of Versailles secured to Poland the free use of the port of Danzig—a vital condition for the future development of the Polish republic, since Danzig is her only port and controls the outlet of the River Vistula, which is the main artery of Poland. In fact the whole economic life of Poland is centred round this river, on the shores of which are situated the towns of Cracow, Warsaw (the Polish capital with a population of nearly one million) and Torun. “If a powerful nation like Germany,” says Mr. Temperley in his *History of the Peace Conference*,* “is to control the main outlet of Polish trade, she will in the end make Poland

* Part VI, p. 258.

a mere vassal. . . . For the Polish nation the possession of Danzig, in some form or other, is a matter not of mere economic convenience but rather of life and death."

We must remember that although Danzig at the present time has a predominantly German population—the reason why it was not assigned to Poland by the Peace Treaty—it was not until after the Third Partition of Poland in 1795 that it was incorporated with Prussia. Before that time it had been a Free Hansa City in union with Poland. Danzig, in fact, was restored by the Peace Treaty to very much the same position that it had held for centuries.

Considering the above circumstances, the present solution of the problem of Danzig seems to be the only reasonable, and in fact the only possible, one. Let us hope, therefore, that the ill-feeling in the matter which exists both in Germany and in Danzig will abate, and that public opinion will realize that a great injustice has been done to the Polish nation in the past, and that its rehabilitation was not possible without some inconvenience to its neighbours. After all, the sacrifice made by Germany for the restoration of Poland is far less than the corresponding sacrifices of Austria and Russia. Whereas Germany had to restore 46,000 square klm., Austria had to cede 78,000 and Russia 262,000 square klm. to the new Republic.

Upper Silesia

The problem of Upper Silesia is undoubtedly the most serious of the three issues affecting the relations between Poland and Germany. The reason is that, although the solution of this problem was the only one practicable under the circumstances, the methods by which it was attained are open to objections and have produced much unnecessary ill-feeling on the part of Germany.

Article 88 of the Peace Treaty provides that "in the portion of Upper Silesia included within the boundaries described . . . the inhabitants will be called upon to indicate by a vote whether they wish to be attached to Germany or to Poland. . . . Germany hereby renounces in favour of Poland all rights and title over the portion of Upper Silesia lying beyond the frontier line fixed by the Principal Allied and Associated Powers *as the result of the plebiscite.*" *

However, nothing in this Article provides for any geographical or economic considerations. Provisions to this effect are contained only in the Articles dealing with East Prussia. Thus Article 95 prescribes that when deciding the boundaries of East Prussia "regard will be paid to the wishes of the inhabitants as shown by the vote and to the geographical and economic conditions of the locality."

* The Italics are mine.

Considering these circumstances it is not without significance to note the following declaration of the Council of the League of Nations in its award on the Upper Silesia question: *

"The Council has endeavoured to interpret faithfully and in an equitable spirit the provisions of the Treaty of Versailles *with regard to Upper Silesia*. The Council, being convinced that its duty was above all to endeavour to find a solution in conformity with the wishes of the inhabitants as expressed by the plebiscite, *while taking into account the geographical and economic situation of the various districts*, has been led to the conclusion that it is necessary to divide the industrial region of Upper Silesia."

We cannot help thinking that this is an unsatisfactory argument since it lays special stress on the weakest point, leaving out of consideration the really strong points in favour of the settlement. Even though it is quite natural that regard should be paid to the geographical and economic conditions of Upper Silesia, it was most unwise to press the point, particularly considering (1) that the only provision to that effect in the Treaty was concerned with the situation in East Prussia; (2) that the British experts and representatives on the Supreme Council had expressed the opinion that, even if the economic and geographical conditions of the various districts were taken into account, the lines indicated by the plebiscite could

* The Italics are mine.

have been followed much closer than they were by the Council of the League of Nations in their award; and (3) that the whole economic situation in each country should be taken into account, and not merely the economic conditions of the frontier-districts.

The main reason why the *status quo* in Upper Silesia has to be maintained is that the control of the Silesian coal-mines is absolutely essential for the development of the Polish industries. We must remember also that these are the only coal-mines in Poland, whereas Germany has access to the enormous coal-resources of the Ruhr Valley. Another point of importance is this, that, although the present frontiers do not follow strictly the lines indicated by the plebiscite, the Polish minorities in Germany are balanced fairly against German minorities in Poland. As a matter of fact, the Polish population in Germany is even now slightly more numerous than the German population in Poland—a situation which would have been aggravated by fixing the frontiers more to the West.

Let us point out in conclusion that the Treaty of Versailles has made detailed provisions for the protection of German minorities in Poland. They have secured not only religious liberty, but also the right to use their own language and the right for parents to have their children educated in the German language.

Since the delimitation of the Polish frontiers took place there has been a movement of the population across the frontiers, a great many Poles from the German side having settled in Poland, whereas Germans from Poland have returned to Germany. In some districts this movement has been very strong; for instance, Poznan (where before the restoration of Poland there was a numerous German population), is now almost entirely a Polish town; so much so that it is even considered to have a purer Polish population than most other towns of the country. This is another reason against a breaking up of the frontiers as now established.

"The restoration of the Polish State is a great historical act which cannot be achieved without breaking many ties and causing temporary difficulty and distress to many individuals." We have no doubt that the present difficulties are only temporary and that the restoration of the Polish State to Europe is well worth this price. Much unnecessary discussion on the matter, very largely due to ignorance of the real situation, has taken place both in parliaments and in the Press, and has produced a feeling of insecurity. Fortunately the statesmen of Locarno realized that no change of the *status quo* as regards the Polish frontiers was possible, since any such change would lead to the most serious consequences, not only for Poland and the Polish frontier population, but also for Germany and Europe

as a whole, for which a strong Poland is the best safeguard against future Russian aggression.

Two Attempts

It was only on the strength of the Treaties of Assistance signed by the delegates of Great Britain and the United States at the Peace Conference, that France gave up her claim to the Rhine as her north-eastern frontier. By these Treaties Great Britain and the United States would have been bound to come immediately to the assistance of France "in the event of any unprovoked movement of aggression against her being made by Germany." But since the ratification of the British Treaty was made subject to the acceptance by the United States of the similar Treaty signed by President Wilson, both Treaties fell through owing to the refusal of the United States Congress to ratify the signature of their President.

The rejection of these Treaties, for the sake of which France agreed to forego her claim to the annexation of the Rhineland, explains why France considers herself entitled to other guarantees of security than those afforded by the Treaty of Versailles.

The question of a British guarantee to assist France and Belgium has been the subject of repeated conferences, but has led to no result since the British Government refused to undertake the

precise military guarantee desired by the French Government. The subsequent estrangement between England and France—due partly to the French policy of separate action in the Ruhr—and the strengthening of the bonds between France and her allies on the farther side of Germany, made her turn upon another track and seek a general settlement of the security-problem.

The first outcome of this policy was the Draft Treaty of Mutual Assistance; the second was the Protocol for the Pacific Settlement of International Disputes.

Let us consider these two attempts to provide a settlement of the security-problem.

Draft Treaty of Mutual Assistance

At the request of the Council of the League of Nations in 1923 two Committees of the Assembly drafted a Treaty of Mutual Assistance, based upon the principle that the two problems of security and disarmament should be solved simultaneously. This Draft Treaty was submitted for consideration to the various governments, including the German Government. Eighteen governments declared in favour of its general principles, but it failed to obtain statutory support and consequently was never carried. However, this document is worth careful consideration, since it is the first attempt to solve the problems of security and disarmament in

accordance with Articles 10 and 16 in the Covenant of the League of Nations.

The Draft Treaty provides that the High Contracting Parties should "jointly and severally undertake to furnish assistance to any one of their number should the latter be the object of a war of aggression." In the case of a war having broken out the Council of the League of Nations should have to determine within four days which of the combatants should be considered the aggressor.

It should be the duty of the Council to take the following measures:

Decide the application of the economic sanctions provided for by Article 16 of the Covenant.

Invoke by name the High Contracting Parties whose assistance is required. No State situated in a continent other than that in which operations will take place shall, on principle, be required to co-operate in military, naval, or air operations.

Determine the forces which each State furnishing assistance shall place at its disposal.

Prescribe all necessary measures for securing priority for the communications and transport connected with the operations.

Prepare a plan for financial co-operation among the High Contracting Parties with a view to providing for the State attacked, and, for the States furnishing assistance, the funds which they require for the operations.

Appoint the Higher Command and establish the object and the nature of its duties.

The Treaty should come into force in Europe when it had been ratified by five States, of which

three should have to be permanently represented on the Council; in Asia when it had been ratified by two States, one of which should be permanently represented on the Council; in North America when ratified by the United States; in Central America and the West Indies when ratified by one State in the West Indies and two in Central America; in South America when ratified by four States; and in Africa and Oceania when ratified by two States.

Separate Military Pacts of a defensive nature, to be put into operation immediately without awaiting the decision of the Council, were also foreshadowed in the Treaty. It is interesting to note that the provisions of the Treaty as regards separate alliances and military measures were largely based upon a plan worked out by the French General Staff.

The French Government attached special importance to separate alliances. Thus in his letter to the Secretary General of the League of Nations, of August 19th, 1924, M. Herriot pointed out that "In the event of aggression, the *practical value of general assistance* alone would seem likely to be very slight from the military standpoint, for its operation would be problematic, conditional, and gradual; regarded in this aspect, therefore, this form of assistance would not seem adequate to justify any considerable reduction in armaments." With regard to separate military agreements M. Herriot declared that "the French Government

is of opinion that such agreements will continue to be necessary until the military form of general assistance can be made immediate and effective. . . . While it is essential that these agreements should be subject to certain conditions as a guarantee of their purely defensive character, they must not be deprived of their *raison d'être*, namely their *efficacy*, which depends entirely upon their coming automatically into effect in certain previously specified cases."

These views were not shared by Mr. MacDonald and his colleagues in the British Labour Government. On the contrary, he emphasized, in his letter to the League of July 5th, the danger of concluding separate treaties, and gave this as one of the reasons why the British Government could not support the Draft Treaty. Mr. MacDonald's argument was this: "It has been urged against such partial treaties that their conclusion by one group of States is likely to bring about the formation of competing groups and that the result will be the re-appearance of the former system of alliances and counter-alliances, which in the past has proved such a serious menace to the peace of the World. The proposal to meet this objection by bringing the partial treaties under the control of the League does not overcome the difficulty, particularly so long as important nations remain outside the League, and His Majesty's Government cannot but recognize the force of the above criticism."

It was at once clear that on this important point it was impossible to reconcile the views of the French and British Governments.

The following statement in the British Note is interesting, particularly when we consider the attitude of Mr. MacDonald's Cabinet to the Protocol three months afterwards:

"Under Article 16 of the Covenant the Council can only *recommend* action, while even under Article 10 it can only *advise*. By Article 5 of the Draft Treaty the Council are authorised to *decide* to adopt various measures. Thus the Council would become an executive body with very large powers, instead of an advisory body. In any event, the Council of the League is a most inappropriate body to be entrusted with the control of military forces in operation against any particular State or States."

"The Draft Treaty, in the eyes of His Majesty's Government, holds out no serious prospect of advantage sufficient to compensate the World for the immense complication of international relations it would create, the uncertainty of the practical effect of its clauses, and the consequent difficulty of conducting national policy."

Surely all these objections, as we shall see presently, apply in an even higher degree to the Protocol, which Mr. MacDonald supported so strongly?

Apart from certain almost ludicrous provisions in the Draft Treaty, such as the stipulation that the Council of the League of Nations should decide

within four days who was the aggressor, and appoint the Higher Command, under which the various nations should place their armies, at the very outbreak of hostilities—provisions which we know by experience from the War are absolutely impracticable—it is open to very serious objections.

For one thing, the Treaty withdraws from the national parliaments their right to decide in each particular case whether or no they will join in the action taken by the League against an aggressor. Many Members do not recognize an interpretation of the Covenant according to which they should have renounced this right, and they could never be expected to accept the provisions of the Treaty as regards the application of sanctions.

In a letter to the League of Nations of August 25th, 1924, the Swedish Government declared that "the Government and the Riksdag had, in the course of the discussions preceding the entry of Sweden into the League of Nations, carefully examined the extent of the obligations which this country's entry into the League would involve. They had considered the fact to be of special importance that their adhesion to the League did not involve the obligation for Sweden to renounce the right of herself considering the question of her possible participation in any military sanctions taken by virtue of Article 16 of the Covenant.* There is no reason to believe that public opinion

* As we have seen in Chapter VI this opinion is well founded.

in Sweden has changed on this subject. There are still less grounds for believing that the Riksdag would be disposed to assume the obligation of furnishing military assistance to an extent beyond that provided for in the above-mentioned article. Such, however, would be the consequence of the draft."

There are two features of the Draft Treaty which especially, from the British point of view, are objectionable. One is the grouping of the Contracting Parties according to continents; the other is the danger it might involve of arraying one part of the British Empire against the others.

As regards the first objection it is clear that, although the British Empire, if attacked on one continent, can never reckon on support by any States outside that continent, she would always be under the obligation to support the League of Nations against aggressors in every corner of the world, since the nations of the Empire are spread over all continents, and a war against one would necessarily involve the whole Empire. Consequently there would be a serious disproportion between advantages gained and obligations incurred.

Another consequence of the grouping of the Contracting Parties according to continents was pointed out by the Government of Australia in their answer to the League of Nations on the subject of the Draft Treaty. "No nation signatory to this Treaty would be under any obligation to come to the assistance of Australia if she were attacked

(since she is occupying a whole continent), and Australia herself would not be obliged to render assistance to anybody. In other words, there is neither obligation to assist nor guarantee of receiving assistance so far as Australia is concerned." In fact the consequence of dividing up the Treaty according to continents is to make it inapplicable to Australia, the one nation of the British Empire which might easily be placed in a position of needing special protection.

But the most serious objection to the Draft Treaty from the British point of view is not that it fails in affording protection, but that it contains provisions which would be the germ of dissension between the various parts of the British Empire. Thus, the Treaty is not based upon the assumption that it, to be approved by one nation of the Empire, must also be approved by all the others, but it deliberately sets aside the necessity for their acting together. Supposing that Great Britain, but none of the Dominions, had signed the Treaty, and that she, having alone accepted its obligations, as a result thereof, was dragged into a European war; the Dominions could obviously not be expected to give her their assistance, since they had refused to undertake any obligations under the Treaty. Moreover, sanctions under the Treaty in the form of a naval blockade would naturally affect the trade of the Dominions, and ought never to be proclaimed by Great Britain without their consent.

Any other policy would certainly strain the relations between the Dominions and the Mother Country. On no condition, therefore, would separate action on the part of the different States within the Empire with regard to the Treaty of Mutual Assistance be acceptable.

It is obvious that if ever this Treaty were to result in what it aimed at—*i.e.*, security and disarmament—co-operation with Germany would be an essential condition. But let us examine the German attitude towards the Treaty as expressed in Herr Stresemann's letter to the League of Nations on July 24th, 1924.

In the opinion of the German experts who were asked to give their views on the Treaty (their views were shared by the German Government) it would be a most hazardous proceeding to entrust to the Council of the League, a body of a purely political character, such enormous power as was contemplated by the Treaty.

“The Council of the League of Nations is given the control of economic, military, communicational and financial measures of an incisive character, and is thereby placed in a position to dictate to the individual States participation in a coalition war with the ultimate result that the effects of the war may be more serious for these participators than for the original parties to the dispute.”

“Considering the unequal status of armaments now prevailing, especially on the European con-

continent, the military action provided for in the draft will be absolutely unfeasible in the event of an illegal attack being made by a strong military Power, not to speak of a group of strong military Powers allied by special agreement. The assistance provided for in the draft treaty will not be feasible until the inequalities of the status of armament have been removed by raising the standard of permissible armament in one direction and lowering it in another according to objectively ascertained requirements. But, as a matter of fact, in this direction the draft treaty contents itself with taking no steps; it leaves it entirely to the personal judgment of the various contracting parties to decide the extent to which they will reduce or limit their armaments and give their assent to the general scheme of disarmament."

"The simultaneous existence of the new treaty and of the Covenant would create a most awkward uncertainty as to the competency of the two. In stressing the fact that its articles do not in any way affect the rights and duties emanating from the Covenant of the League of Nations, the draft treaty reveals the difficult complications which must arise from a State being a Member of the League of Nations, a signatory of the Treaty of Mutual Assistance, a party to a complementary defensive agreement—or to several such agreements—or being able to make use of the right to declare its merely conditional or partial adherence to the draft treaty. Under these circumstances, it is clearly a tempting and easy matter for a State to evade its obligations by playing off the articles of the one treaty against those of the other."

"But further, the Treaty is to leave unaffected not only the Covenant of the League of Nations

but also the Treaties of Versailles, Neuilly, St. Germain and Trianon. If, therefore, Germany were to adhere to the new treaty, her situation would be intolerably ambiguous and would involve her in well-nigh incalculable danger. Disarmed almost to the point of impotency, she would have to reckon with being drawn resistless and defenceless into all sorts of conflicts, and to look on while her unprotected territory became the battlefield of foreign Powers. The mere fulfilment of the obligation to permit transit and traffic through the country to one party would render her a prey to the other, inasmuch as the latter would be given a convenient pretext for treating her as an enemy State."

These arguments obviously struck at the very root of the security-problem, and prove the futility of trying to find a general solution of its difficulties before the immediate causes of distrust and unrest had been removed.

Considering the serious consequences of the Treaty of Mutual Assistance to which we have already called attention, and the views held, not only by Germany but also by the British, Scandinavian and other Governments as regards its more important provisions, it was clear that the way to solving the problem of security recommended in this Treaty was definitely blocked.

Let us now turn to the second attempt to solve this problem through the League of Nations.

The Geneva Protocol

Already in the preceding chapter we have considered the Protocol in some detail, but chiefly with regard to its influence upon the sovereignty of the individual States. We shall here deal mainly with the political aspect of the Protocol, *i.e.*, examine it as an attempt at solving the security-problem.

In their report on the Protocol, MM. Politis and Bénès made the following statement: "Although the Treaty of Mutual Assistance was approved in principle by eighteen Governments it gave rise to certain misgivings. We need only recall the most important of these, hoping that a comparison between them and an analysis of the new scheme will demonstrate that the First and Third Committees have endeavoured, with a large measure of success, to dispose of the objections raised and that the present scheme consequently represents an immense advance on anything that has hitherto been done."

This certainly sounds most reassuring: but on the other hand praise of this kind bestowed upon an official document by its authors seems somewhat suspicious; and, as we shall see presently, its acceptance, far from solving the security-problem, would involve the most serious political dangers.

For the purpose of settling international disputes the Protocol introduces a system of compulsory

arbitration, which comes into operation in case the parties to a dispute fail to arrive at an agreement, through conciliation or other voluntary measures.

This system, however, calculated to prevent war, excludes from application three classes of disputes, two of which are enumerated in the Protocol, the third class of disputes being mentioned only in the Report on the Protocol "*since it was quite superfluous to make them the subject of a special provision.*"

According to the Report the disputes to which the system of compulsory arbitration does not apply are of three kinds:

1. The first concerns disputes relating to questions which, at some time prior to the coming into force of the Protocol, have been the subject of a unanimous recommendation by the Council and accepted by one of the parties concerned. Failing a friendly arrangement, the only way which lies open for the settlement of disputes to which these recommendations may give rise is recourse to the Council in accordance with the procedure at present laid down in the Covenant.
2. The same applies to disputes which arise as the result of measures of war taken by one or more signatory States in agreement with the Council or the Assembly of the League of Nations. It would not be admissible that

compulsory arbitration should become a weapon in the hands of an enemy to the community to be used against the freedom of action of those who, in the general interest, seek to impose upon that enemy respect for his engagements.

In order to avoid all difficulty of interpretation, these first two classes of exceptions have been formally stated in the Protocol.

3. There is a third class of disputes to which the new system of pacific settlement can also not be applied. These are disputes which aim at revising treaties and international acts in force, or which seek to jeopardize the existing territorial integrity of signatory States. It was proposed that these exceptions should be included in the Protocol, but the two Committees were unanimous in considering that both from the legal and from the political points of view the impossibility of applying compulsory arbitration to such cases was so obvious that it was quite superfluous to make them the subject of a special provision. It was thought sufficient to mention them in the Report.

These exceptions, particularly the last of them, call for special attention, since these classes of disputes are the most important of all international disputes. In fact these are the very kinds of disputes which are likely to lead to war. It is sur-

prising therefore to find that just these disputes are exempted from the system of compulsory arbitration outlined in the Protocol.

What disputes are there which threaten the peace of Europe to-day other than those which have arisen out of the treaties and international acts in force? We do not think that it would be possible—at any rate not for the present—to make the nations submit to an international law establishing compulsory arbitration for such disputes; but we can hardly describe the Protocol as a document embodying the principle of pacific settlement for all international disputes when this principle is only applied in respect of disputes which in all probability will never lead to war, and when those very disputes which might involve a threat to the peace of Europe are deliberately excluded from the procedure and left to be settled by war.

It has been intimated in the French Press, with what right we do not know, that the speech delivered by Mr. Chamberlain at the first meeting of the League Council this year was not his own work but a compilation from Lord Balfour's Memorandum on the Protocol prepared for the Committee of Imperial Defence, and was pressed upon him much against his own will by the late Lord Curzon, Mr. Churchill and Mr. Amery. Whether this information is true, or whether Mr. Chamberlain's speech was first drafted by himself in co-operation with a permanent official of the Foreign Office, and subse-

quently discussed by the Cabinet, it undoubtedly produced a tremendous sensation, perhaps less on the ground that it was an adverse criticism of the Protocol than because the arguments went straight to the point—a most important innovation. In spite of the fact that the Council decided to place the question of the Protocol on the Agenda for the Sixth Assembly the document is now a dead letter, Mr. Chamberlain's speech (to use the words of Signor Mussolini) having given it "a first-class funeral."

It is obvious that the provision contained in Article 10 of the Protocol, that any nation which goes to war in contravention of the procedure prescribed by this document shall be deemed an aggressor and subjected to military and economic sanctions on the part of the League, might place its Members in rather a difficult position, more especially if the aggressor were such a powerful nation as the United States of America, or a reorganized Russia. Is it at all likely that the League would face the consequences of a war against any of these nations?

Supposing the United States of America go to war in contravention of the provisions of the Protocol; supposing also that nine out of the ten delegates on the Council are of the opinion that war against the United States must be prevented since it would mean a serious calamity to the whole world; the Council would nevertheless, according to the Protocol, have to call upon the Members of the League

to open hostilities against the United States. But is it really likely that the nine delegates who are opposed to war could be persuaded to vote for a resolution which would be the lighting spark of a world-conflagration?

There is not the slightest doubt that the acceptance of the Protocol would have considerably increased the probability of a world-war, since an international dispute in any part of the world might at any moment cause an upheaval involving all the fifty-four States affiliated to the League. As there is very little likelihood that at any time all States, affiliated and non-affiliated, would act in strict conformity with the rules laid down by the Protocol, the Members of the League would, quite possibly, find themselves in a constant state of war.

It is clear that on a world-power like the British Empire this would entail the most formidable obligations, since not only its navy, army and air force, but also its financial, commercial and industrial resources, would constantly be called upon by the Council to fight nations all over the world, however much such wars might be opposed to British interests. For the British Empire to subscribe to a document based on such principles is obviously out of the question.

The Committees which drafted the Protocol declared that their purpose was "to make war impossible, to kill it, to annihilate it." However, the stern realities of life and the achievements of the

League so far have proved the hollowness of high-sounding international agreements and dazzling promises. The Protocol, as we have seen, was a very misleading document calculated to defeat its own ends by creating wars instead of preventing them. In fact, the Protocol was the finest guarantee of a future world-war yet devised. Incidentally, its acceptance would be an unfailing way to "kill and annihilate" the League.

CHAPTER VIII

THE LOCARNO TREATIES

"It is the need of creating a new international soul and a new international morality."

Austen Chamberlain

In a previous chapter we have laid down the principle that the object of the modern State is to promote the moral and material welfare of the community with due regard to the interests of humanity as a whole. Thus the object of the modern State is not power; not the conquest of more land at the expense of other nations; not even the retention by force of territories which it is to the interest of humanity (and more especially of the population in those territories) that it should not hold. It was on the strength of this principle that Sweden gave Norway freedom in 1905 and that Great Britain in 1921 definitely sanctioned Home Rule for Ireland.

It is in the light of modern principles of international relations that we have to seek a settlement of the European situation. No satisfactory solution can be found on purely nationalist lines. All parties concerned must subordinate their interests to those of Europe as a whole. Only thus can a

secure foundation for future peace and stability be obtained.

It is a great step forward that modern diplomacy has begun to recognize the fact that each State has important obligations to fulfil as a member of the international system and that a narrow nationalist policy would not only be opposed to the interests of humanity as a whole but might easily react unfavourably on her own position, the advantages gained temporarily being outweighed in the long run by economic or other disadvantages due to disturbances of the industrial system or to ill-feeling between the nations.

There is also a tendency at the present time to create a new system for maintaining the political balance in Europe, by substituting a stable equilibrium based on international law and joint international action, for the more unstable equilibrium which was maintained almost entirely by military force and economic strength. The creation of the League of Nations was a step in this direction.

This change of system when actually effected will be of inestimable advantage to humanity. However, we must not forget that such a radical change cannot take place all at once. It is a great mistake to think that the old system which is deeply rooted in the consciousness of the nations could be replaced by the new system through the ratification of a single international agreement like the Geneva Protocol. Such a change can be effected only

by a gradual process and there is no doubt that any attempt to precipitate matters before the ground is thoroughly prepared would be fraught with great danger and might lead to a result directly opposed to that which was intended.

We must remember that a certain amount of flexibility in international affairs is absolutely essential for a sound development of the political and economic situation, since the conditions in the various countries are subject sometimes to very rapid changes which necessitate modifications of the *status quo*. Moreover, it obviously depends upon the nature of this *status* whether it is advisable to maintain it or not.

Take the case of the present situation in Europe, based on the Peace Treaties. It is hardly likely that the stereotyping of the provisions contained in these Treaties is possible or even advisable. Hardly any important peace-treaty has ever been signed which has not afterwards been subject to modifications in consequence of changes in the conditions and general outlook of the nations concerned. Considering the important changes which have taken place already since the ratification of the Treaties of Versailles, Neuilly, St. Germain, and Trianon, and the changes which will probably take place in the future, there is little likelihood that the provisions of these Treaties will be of a more permanent nature than those of earlier treaties.

This fact has been recognized in the Covenant

of the League of Nations. Thus Article 19 of the Covenant provides that "the Assembly may from time to time advise the reconsideration by Members of the League of treaties which have become inapplicable and the consideration of international conditions whose continuance might endanger the peace of the world."

Nevertheless there has been a marked tendency among certain nations in the opposite direction. They support their claims to a permanent maintenance of the present territorial divisions of Europe by the following provision of Article 10 of the Covenant: "The Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League." This tendency culminated in certain provisions in the Protocol which were dealt with in detail in the preceding chapter.

The necessity of strictly observing the territorial clauses of the Peace Treaties and of strongly resisting any attempt to alter these provisions by recourse to military force cannot be too strongly emphasized, since every other policy would be fatal to the peace of Europe. Every nation in Europe must submit to the modern principles of international relations, subordinating her national interests to those of Europe as a whole.

No revision of any treaties should take place unless public opinion in Europe is so strongly in

favour of it that a modification becomes a necessity. But a way for this possibility should always be left open, and this is the very reason why the League of Nations must not be bound by the Peace Treaties. If the League at some future time should recognize the necessity for modifying any of these Treaties it ought to be at liberty to express an opinion on the matter, and to use its power and influence to bring about a revision. This would obviously be impossible were the League to support the Peace Treaties whatever situation might arise.

The German Memorandum

Neither the Treaty of Mutual Assistance nor the Geneva Protocol were compatible with the principles we have here laid down, since both these documents would bind their signatories to the Peace Treaties for ever and ever, and might compel them to go to war at some future time in defence of provisions of which they might then heartily disapprove. But as we shall see presently the third big attempt to settle the security problem was more consistent with the principles outlined above, and also more successful.

According to the *Hamburger Fremdenblatt*, the Memorandum communicated on February 9th, 1925, by the German Ambassador in Paris to M. Herriot was nothing but a diplomatic move calculated to nip in the bud the prospects of a renewed

Anglo-French Entente. Another German paper, the *Deutsche Allgemeine Zeitung*, informs us that the German pact proposal was directly inspired by the British Ambassador, presumably with a view to shelve the Protocol.*

Neither of these statements is correct. First of all there was, at the time when these proposals were submitted, no question of an Anglo-French Entente, since the entire attention of British and French statesmen was concentrated on the Geneva Protocol which was to be discussed by the Council of the League of Nations within a few weeks. Obviously Herr Stresemann must have been aware of the fact that, since public opinion in Great Britain was strongly opposed to the Protocol, the moment for submitting these proposals for a settlement of the security-problem on the eve of the meeting at Geneva where the fate of the Protocol was to be decided, was well chosen; but, as we see from Mr. Chamberlain's statement, it is not true that the action taken by the German Government was inspired by Lord d'Abernon. We have no doubt that whilst the German Memorandum—to use the words of Mr. Chamberlain—was “a sincere and honest attempt to lead to a better state of things,” it was inspired, and primarily, by the fact that the British Government had postponed the

* This statement was denied by Mr. Chamberlain, who declared in his speech of June 24th that “the whole of the conversations and the exchange of Notes arise from the initiative taken by the German Government.”

evacuation of Cologne, and consequently in the first instance was intended to ascertain the attitude of the Allied Governments on the question of occupation and the strength of their combined fronts in this matter.

The first official information about the proposed pact was given by Mr. Chamberlain in his speech in the House of Commons on March 24th, 1925. Let us quote some passages from his speech, which give a general idea of the German proposals:

"The German proposals were, very properly, put in a somewhat liquid shape. They have not been the subject of any precise or rigid definition. They are put forward as a possible basis for discussion, not as a thing to be taken or left, or an agreement already put into a form in which it might be signed. They did not come to me fully in the first instance. They came to me in circumstances of attempted secrecy, which, as I have already admitted, caused me to feel some suspicion about them, but I am convinced—and I say so from my place here—from what has passed since that the German Government are making a sincere and honest attempt to lead to a better state of things, and it is in the hope that we may assist to carry that effort to a fruitful conclusion that we have engaged in our serious discussion of their proposals."

"I would outline the German suggestion as follows. Germany's interest is in the establishment of a special treaty foundation for a peaceful understanding with France. Germany is prepared to consider a comprehensive arbitration

treaty and to enter into a mutual pact with the Powers interested in the Rhine. Similar arbitration treaties may be concluded with other States which have common boundaries with Germany if those States desire. Further, a pact universally guaranteeing the present territorial status on the Rhine would be acceptable to Germany, and a pact may further guarantee the fulfilment of articles 42 and 43 of the Treaty of Versailles. I think the House will agree with His Majesty's Government that it is a signal advance that such proposals should have reached us, even in a vague form, and on her own motion, from Germany. They amount, if I understand it rightly, to this: that Germany is prepared to guarantee voluntarily what hitherto she has accepted only under the compulsion of the Treaty—the *status quo* in the West; that she is prepared to eliminate war, not merely from the West but from the East, as an engine by which any alteration in that treaty position is to be obtained. She is prepared to disavow and abandon any idea of recourse to war for the purpose of changing the Treaty boundaries of Europe. She may be unwilling, she may be unable, to make the same renunciation of all hopes and aspirations that some day, by friendly arrangement and mutual agreement, a modification may be introduced in the East which she is prepared to make in regard to any-modifications in the West." *

It is clear that the German Government were of the opinion that no solution of the security-problem could be reached without a previous or simultaneous arrangement of the occupation question, a point on

* The full text of the German Memorandum is given in an appendix.

which the Allied Governments also were in complete agreement.

It was precisely to remove this obstacle to a settlement of the security-problem that they presented to the German Government their Note on Disarmament, which specified exactly the conditions with which Germany must comply before the evacuation could take place. In the French reply to the German Memorandum (the British Government concurred in the main with the terms of the French Note) reference was made in the following terms to the question of occupation: "It also goes without saying, and, further, results from the silence on this point of the German Memorandum, that the pact to be concluded on these lines could not affect the provisions of the treaty relative to the occupation of the Rhineland, nor the execution of the conditions laid down in relation thereto in the Rhineland Agreement."

As we shall see presently the evacuation of the Cologne district was carried out notwithstanding the fact that Germany had not fulfilled all the conditions contained in the Disarmament Note, since the ratification by Germany of the Locarno Pact was considered a sufficient guarantee for the maintenance of peace. On the other hand, France is not likely to surrender her hold on the Rhine which—in the words of M. Herriot—"is the essential, and perhaps the last, condition of our security," unless these conditions are fulfilled.

In their reply to the German proposal the French Government emphasized the following points:

"No agreement can be achieved unless Germany on her side assumes the obligations and enjoys the rights laid down in the Covenant of the League."

"The search for the guarantees which the world demands cannot involve any modification of the Peace Treaties."

"The agreements to be concluded ought not, therefore, either to imply a revision of these treaties or to result in practice in the modification of the conditions laid down for the application of certain of their clauses."

"The Allies cannot in any case give up the right to oppose any failure to observe the stipulations of these treaties, even if the stipulations in question do not directly concern them."

"The French Government do not fail to appreciate the value to the cause of peace, side by side with a renewed affirmation of the principles inscribed in the Treaty of Versailles, of a solemn repudiation of all idea of war between the contracting States."

A settlement of the security-problem on the lines indicated by the German Memorandum, complemented by the above conditions contained in the French reply, was in full agreement with the principles laid down at the beginning of this chapter. But the bilateral character of the Guarantee-Pact had to be maintained. Germany must, within the

limits established by the Treaty of Versailles and the Covenant, enjoy exactly the same protection and be subject to the same obligations as France, and British statesmen were on their guard against any tendency to place either party in a privileged position, not only because this would increase rather than lessen the probability of war, but also because any such attempt is likely to check all prospects of a settlement on the basis of a guarantee-pact.

During the last year a remarkable change in the methods of German foreign policy seems to have taken place. The militaristic pre-War policy and the sulky policy of contrariness characterising the first post-War period is being abandoned, and under the able guidance of Herr Stresemann, Germany seems to be developing a far-seeing and supple foreign policy more likely to serve the interests of the German people than any policy pursued since the times of Bismarck.

The Pact proposal was a typical example of the new policy. Its value as a step towards peace and security was indisputable, and as such had the right to the sympathetic interest of all European nations. To use the words of Herr Stresemann it was "a peace offensive on a grand scale." At the same time, however, its object—and its main object—was to serve specific German interests.

Although the whole question of evacuation was avoided in the German Memorandum it was fairly obvious that a settlement of this matter was at

least one of the leading motives of the German policy. This was confirmed by the reply to the French Note. Thus the German Note of July 20th contained the following passage: "But should the Allied Governments intend to set those provisions (concerning the military occupation of German territories) up as sacrosanct for the future, the German Government would, in answer to this, like to point out that the conclusion of a Security Pact would represent an innovation of such importance that it could not but react on the conditions in the occupied territories and the question of occupation in general."

Two days after the presentation of the German Note Herr Stresemann, pressed by the Opposition in the *Reichstag*, revealed the fact that "the safety of the future of the Rhineland was, from the German point of view, the main idea of the Pact." Now that the Allied Note on Disarmament was known he did not think that the remaining points to be fulfilled gave ground for the protracted occupation of the Cologne Zone.

The German Government were right in trying to make the position as to the future of the Rhineland perfectly clear, and one can well understand the German desire to have this matter settled before they engaged themselves more deeply under the Dawes Scheme.

The evacuation by the French of the Ruhr and of the three sanctions-towns—Duisburg, Düsseldorf,

dorf, and Ruhrort—was a great triumph for Herr Stresemann's policy of least resistance and considerably strengthened the hands of the German Government. Even the Nationalists, who for a long time excited suspicion against Herr Stresemann in the Government, the *Reichstag* and in the Press, did not fail to be impressed by these facts.

The most important feature of this policy is that it is fundamentally peaceful. What the German Government have realized at last is that time is working for Germany, not against her, and that she stands the chance of winning a great deal through peace, whereas through a warlike policy she might lose everything, even her national independence. For the German people, therefore, a policy of peace is not only an idealistic aim but a matter of pressing self-interest, and it would be well if the realization of this fact could calm down the prevailing spirit of revenge.

It is a fact of great importance that Great Britain and France agreed to make Germany's entry into the League of Nations a condition for proceeding further in the matter, because this was the only way in which Germany could be placed on the same footing as the other signatories to a guarantee-pact. It is true that the ratification of the Covenant would place Germany under the obligation of allowing free passage of French and other League troops through her territory in the event of a Russian attack on Poland. But this obligation she

would have in common with other Members of the League, such as the Scandinavian nations, Finland, the Baltic States and Czecho-Slovakia. Moreover, we must remember that in the case of Russian aggression in Poland Germany, through her signature to the Covenant, *ipso facto* becomes Poland's ally, and that the League troops sent through her territory are not enemy troops but allied troops.

On the other hand, Germany has the right to expect that after she has faithfully fulfilled the conditions contained in the Allied Note on Disarmament, the Allies in their turn will reduce armaments in accordance with their pledges under the Treaty of Versailles and the Covenant.

Part V of the Peace Treaty contains the express declaration that the disarmament of Germany was intended "to render possible the initiation of a general limitation of the armaments of all nations," and under Article 8 of the Covenant "the Members of the League recognize that the maintenance of peace requires the reduction of national armaments to the lowest point consistent with national safety." Finally, the Supreme Council have declared that "in order to dominate the economic difficulties of Europe, armies should everywhere be reduced to a peace footing."

Great Britain and the Scandinavian States are about the only European nations who have fulfilled these pledges. At any rate France and her allies on the Continent have not reduced their armies to the

lowest point consistent with national safety and this is undoubtedly one of the reasons for their economic difficulties at the present time. Moreover, the threat which these armies unquestionably constitute has strengthened the position of the extreme nationalists in Germany and nursed the spirit of revenge among the German people.

The Locarno Conference

After further exchange of Notes between the Allies and Germany, and after the London Conference of Jurists had embodied the German proposals as amended by the Allied replies in a Draft Pact, the Allied Governments in a Note of Sept. 15th invited the German Government to a conference on the Security Pact. They suggested that the conference should be held in Switzerland on October 5th. The German Government accepted the invitation in a Note dated Sept. 26 and handed over to Mr. Chamberlain by the German Ambassador. Although nothing was mentioned in the Note about the War-Guilt clause of the Versailles Treaty and about the evacuation of the Cologne zone Dr. Sthamer raised these questions verbally. This unfortunate, last minute, *démarche* was the result of a pledge given by the German Government to the Nationalist leaders. That it was not calculated to prepare the atmosphere for the Conference was obvious, and although recording with satisfaction

the decision of the German Government to participate in the Conference the British Government in their reply expressed unqualified disapproval of the action taken by the German Ambassador. The British reply, dated Sept. 29th, runs as follows:

"His Majesty's Government have received with pleasure the acceptance by the Government of the Reich of the proposal for a conference on October 5th at Locarno. His Majesty's Government note with satisfaction that the acceptance is given without reserve."

"In reply to the declaration which your Excellency made to me at the same time, I have the honour to take note of the assurance of your Excellency that the questions therein raised do not constitute conditions preliminary to a meeting of Foreign Ministers."

"These questions have, in fact, no relation to the negotiations for a Security Pact and have formed no part of the preliminary exchange of views."

"As regards that part of the declaration which deals with Germany's entry into the League of Nations, his Majesty's Government note with satisfaction that the German Government raise no objection to this essential condition of any mutual pact. The question of Germany's responsibility for the war is not raised by the proposed pact, and his Majesty's Government are at a loss to know why the German Government have thought proper to raise it at this moment. His Majesty's Govern-

ment are obliged to observe that the negotiation of a Security Pact cannot modify the Treaty of Versailles or alter their judgment of the past."

"As regards the evacuation of the Cologne zone, I have the honour to repeat that the date of that evacuation depends solely on the fulfilment of Germany's disarmament obligations and that his Majesty's Government will welcome the performance of those obligations as permitting the Allies at once to evacuate the northern zone."

Similar notes were despatched by the French and Belgian Governments who had equally been approached on the subjects of War-guilt and evacuation.

The Allied replies aroused a storm of bitter remarks in the German press, directed partly against the Allied Governments and partly against the German Nationalist, who—in the words of Herr Bernhard, *Vossische Zeitung*,—had "succeeded in bringing upon Germany a humiliation such as she has not suffered since the Treaty of Versailles."

Thus the prospects of the Conference which assembled at Locarno on Oct. 5th did not seem very promising. The Allied delegations were staying in the Palace Hotel, whereas the German delegates had chosen the Esplanade Hotel situated on the outskirts of the town. Germany was represented by the Chancellor, Herr Luther, and the Minister of Foreign Affairs, Herr Stresemann. Signor Mussolini himself represented Italy and Great Brit-

ain, France, Belgium, Poland and Czecho-Slovakia were represented by their Foreign Ministers at the time, Mr. Chamberlain, M. Briand, M. Vandervelde, Count Skrzynski and Dr. Bénès.

Already on the second day of the Conference an unfortunate incident threatened to cause a hitch in the proceedings. Thus a semi-official news-agency in Germany, the *Deutsche Diplomatische Korrespondenz*, issued a *communiqué* of the first day's proceedings before the official *report* jointly prepared by the secretariats of the various delegations had been published. The situation was not improved by the fact that the German *communiqué* contained misrepresentations and propaganda. However, the German representatives frankly disowned the article published by the German agency, explaining that the whole matter was due to a misunderstanding, and the cloud which had threatened the prospects of the Conference was gradually dispersed.

In spite of this unpleasant incident and of the suspicion and reluctance which marked the negotiations preceding the Conference the atmosphere developed into one of great cordiality, and it soon became evident that both German and Allied representatives had gone to Locarno determined to arrive at a settlement. It was generally recognized that a failure would inevitably result in a very serious situation for the whole of Europe, and every delegation was profoundly impressed by Mr.

Chamberlain's declaration that "the British Government had come to the meeting animated with the most sincere desire to let the dead past bury its dead, and to think only how the future could be made better than the past."

There is no doubt that the Allied statesmen fully realized the difficult position of the German Government, hard pressed as they were at home by the Nationalist Opposition, and that they were dealing with men who were earnestly desirous to make their utmost efforts for the sake of European peace. Moreover, the pressure brought to bear on the German Government by M. Chicherin immediately before the departure of their delegation for Locarno certainly produced an effect opposite to that which was intended, since it not only opened the eyes of the German Government to the Russian menace but also spontaneously brought the representatives of Germany and the Allied nations closer together. Further the friendly reception accorded M. Chicherin in Poland on his way to Berlin undoubtedly gave both German and Allied statesmen food for thought. Finally we must not forget that the settlement of the reparation question by the London Conference considerably facilitated a subsequent settlement of the security problem. This fact was particularly emphasized by Mr. Chamberlain in the debate on the Security Pact in the House of Commons when he paid a gen-

erous tribute to the work done by his predecessor in office in connection with the Dawes settlement.

After less than two weeks' deliberations the Conference arrived at an agreement on the Security Pact which was signed on Oct. 16th, by the delegates of Great Britain, France, Germany, Italy, and Belgium.

The Locarno Treaties

Not less than nine separate documents of great historical importance were signed at the Locarno Conference. These were:—

Final Protocol of the Conference.

Treaty of Mutual Guarantee concluded between Great Britain, France, Germany, Italy and Belgium.

Arbitration Convention between Germany and Belgium.

Arbitration Convention between Germany and France.

Arbitration Convention between Germany and Poland.

Arbitration Convention between Germany and Czecho-Slovakia.

Treaty between France and Poland.

Treaty between France and Czecho-Slovakia.

Finally the Allies had drawn up a collective note addressed to the German Chancellor giving their

opinion concerning the interpretation of Article 16 of the Covenant of the League of Nations.

Besides recording the various treaties framed at the Conference and providing for the formal signing of these treaties in London on Dec. 1st the Protocol contained the following important declaration:

"The representatives of the Governments represented here declare their firm conviction that the entry into force of these treaties and conventions will contribute greatly to bring about a moral relaxation of the tension between nations, that it will help powerfully towards the solution of many political or economic problems in accordance with the interests and sentiments of peoples, and that in strengthening peace and security in Europe it will hasten on effectively the disarmament provided for in Article 8 of the Covenant of the League of Nations."

"They undertake to give their sincere co-operation to the work relating to disarmament already undertaken by the League of Nations and to seek the realisation thereof in a general agreement."

This last point is most important especially considering the isolated position of Germany with regard to disarmament. We have already pointed out that after she has faithfully fulfilled the conditions contained in the Allied Note on Disarmament Germany has the right to expect that the other nations of Europe reduce their armaments to the same extent. Russia is the only nation which would pre-

sent an obstacle to such a general reduction of armaments. We will return to this question later.

The Treaty of Mutual Guarantee provides a guarantee on the part of Great Britain, France, Germany, Belgium and Italy for the inviolability of the Versailles frontiers between France and Germany and between Germany and Belgium. In case of a violation of these frontiers by one of the contracting parties the Power which has been attacked will have the support of the remaining three signatories. Thus if Germany has been attacked by France, the three remaining signatories, Great Britain, Italy and Belgium, will immediately come to the assistance of Germany. If on the other hand, France has been attacked by Germany the latter will find itself opposed by the combined forces of France, Great Britain, Italy and Belgium.

The bilateral character of the Pact has thus been strictly maintained. Each Power, signatory to the Pact, has to decide for itself whether an unprovoked act of aggression has been committed. This provision is necessary in order to secure immediate action in the case of a flagrant violation of the *status quo*. This stipulation, however, is subject to the condition that every signatory must abide by a unanimous decision in the matter by the Council of the League of Nations. The votes of Members engaged in hostilities are not to be counted.

If the Council of the League of Nations does not arrive at a unanimous decision the situation becomes

more difficult, since the signatories are then left to act according to their own opinion of who is the aggressor. We must remember, however, that the Pact makes provisions for peaceful settlement of conflicts and that the aggressor can always be exposed through his refusal to submit his case to such a settlement.

Under Article 2 of the Treaty Germany and Belgium, and also Germany and France, mutually undertake that they will in no case attack or evade each other or resort to war against each other, except when such action is a purely defensive measure or the result of a decision by the League of Nations. (For the precise wording of this Article *vide* Appendix V.)

According to Article 3 these Powers undertake to settle by peaceful means all questions which may arise between them and which it may not be possible to settle by the normal methods of diplomacy.

Any question with regard to which the parties are in conflict as to their respective rights shall be submitted to judicial decision, and the parties undertake to comply with such decision.

All other questions shall be submitted to a conciliation commission. If the proposals of this commission are not accepted by the two parties, the question shall be brought before the Council of the League of Nations, which will deal with it in accordance with Article 15 of the Covenant of the League.

The detailed arrangements for effecting such peaceful settlement are the subject of the special Arbitration Conventions between Germany and France and between Germany and Belgium. (The text of these conventions is given in Appendix V of this book.)

Article 10 of the Treaty contains the important provision that it will not come into force until Germany has become a Member of the League of Nations.

To remove German fears with regard to the interpretation of Article 16 of the Covenant the Allies drew up a collective Note declaring that in their opinion this Article must be understood to mean "that each State Member of the League is bound to co-operate loyally and effectively in support of the Covenant and in resistance to any act of aggression to an extent which is compatible with its military situation and taking into account its geographical position."

The Arbitration Conventions between Germany and Poland and between Germany and Czecho-Slovakia which provided for a settlement in the East were similarly worded. These treaties made detailed provisions for the peaceful settlement of disputes which might arise between the contracting parties.

The solution of the Polish-German security problem is found in the preamble of the Convention which contains the following important passage:

"The President of the German *Reich* and the President of the Polish (Czecho-Slovak) Republic, equally resolved to maintain peace between Germany and Poland (Czecho-Slovakia) by assuring the peaceful settlement of differences which might arise between the two countries, declaring that respect for the rights established by treaty or resulting from the law of nations is obligatory for international tribunals, agreeing to recognize that the rights of a State cannot be modified save with its consent, and considering that sincere observance of the methods of peaceful settlement of international disputes permits of resolving without recourse to force questions which may become the cause of division between States, have decided to embody in a treaty their common intentions in this respect."

The significant point of this declaration is that Germany has abandoned any idea of recourse to war for the purpose of altering her eastern frontiers.

There were two more treaties concluded, one between France and Poland, and the other between France and Czecho-Slovakia. These treaties are identical, *mutatis mutandis*.

In the event of Poland (Czecho-Slovakia) or France, "suffering from a failure to observe the undertakings arrived at this day between them and Germany with a view to the maintenance of general peace," the contracting parties agree to lend each other immediate assistance, "if such a failure

is accompanied by an unprovoked recourse to arms."

Similarly they undertake to support each other in the case of such aggression even if the Council of the League of Nations has not succeeded "in making its report accepted by all its Members other than the representatives of the parties to the dispute."

Although these treaties are not quite in keeping with the spirit of the other documents signed at Locarno, assuming as they do a failure on the part of the signatories to fulfil their engagements, they hardly impair the value of the Security Pact and the Arbitration Conventions.

The formal signing of the treaties took place in London on Dec. 1st, 1925. Let me recall the words of two speakers on this occasion.

"I am determined," said M. Briand, "to extract to-morrow from these conventions everything they can provide against war and in favour of peace. I see in them the beginning of a magnificent work, the renewal of Europe, its investment with its true character by means of a general union in which all nations will be invited to participate."

A similar note was struck by Herr Stresemann. "If we go under we go under together; if we would rise we cannot do so in conflict with each other, but only by working together. Accordingly, we cannot afford, if we believe at all in the future of our nations, to live in discord and enmity with each other,

but must join hands in a work of general co-operation."

From all the speeches it was clear that the War and the chaos resulting from the War had taught the nations of Europe that our Continent cannot live and develop without co-operation between the nations composing it.

As an immediate result of the acceptance on the part of Germany of the Security Pact the British forces have been withdrawn from the Cologne area despite the fact that some of the conditions contained in the Allied Note on Disarmament had not then been fulfilled by Germany. Moreover, the situation in the remaining occupied territories has been relieved through concessions to German demands with regard to administration, etc.

There is no doubt that the Treaty of Mutual Guarantee meant a great victory for the moderate elements in Germany and France over imperialists and militarists, and, in spite of the attempts on the part of Russia and German nationalists to reduce British influence in European politics, Great Britain has shown that she more than holds her own in the councils of Europe.

What Soviet Russia thinks of the Locarno Pact is best illustrated by the following statement of M. Radek in the *International Press Correspondence*, November 5th, 1925: "The subordination of Germany under the League of Nations constitutes a step on the road to the creation of an alliance of

capitalist Powers which is directed against the Soviet Union and against the East."

All over Russia and its dependencies in Asia the Locarno Pact is represented as a hostile act against the Soviet Government. This is all the more interesting as the Pact has nothing to do with Russia or Russian conditions but is merely an arrangement between the nations of Western and Central Europe with the object of preventing wars between themselves. But in creating a friendly and harmonious spirit, in renouncing wars and warlike measures as means of settling international disputes, these nations have given a definite proof that they intend to support the powers of peace and order in their struggle against the forces of destruction. This, in fact, is the reason why the Soviet Government consider the Pact as a hostile act, since it places a fresh obstacle in the way of Soviet Imperialism for which the spreading of unrest and dissension are the very means for subsistence.

I do not think the fact has been sufficiently recognized that at Locarno Europe passed through one of the gravest moments in its history. The acceptance or the refusal of the Pact meant peace or war. There was no turning back. Had the efforts of the Soviet Government and the German nationalists to shelve the Conference been crowned with success, Europe would now have been faced with a very serious situation. It would have been divided into two hostile camps, on the one side an Anglo-French

alliance—based on a guarantee-pact—and on the other side a Russo-German alliance working for revenge, a new partition of Poland, and the overthrow of British rule in India.

This danger has been alleviated by the Locarno Treaty. I will not go so far as to say that the situation is yet completely reassuring—since the subversive activities of the Soviet Government in Europe and Asia are a matter of extreme gravity—but there is no doubt that as a result of the Treaty the atmosphere has been considerably relieved. Our hope is that the men of moderation and reason whose untiring efforts have created a new international spirit in Europe and a basis for common action against peace-breakers, will be able to withstand the assaults of unbalanced extremists and to remain in power till they have completed the great work they have so successfully begun.

CHAPTER IX

THE RUSSIAN MENACE

"In this way Europe can, and shall, be placed under the Russian yoke."

Czar Peter's Testament

Russia, the nation of terror *par préférence*, is decidedly also a nation of great extremes and strange contrasts. The greatness of writers like Tolstoy, Turgenev and Dostoievsky, of scientists like Mendeléev and Metchnikoff, of composers like Rubinstein and Tschaikowsky, affords a striking contrast to the ignorance and superstition of the masses of which more than two-thirds are illiterate. The exquisite palaces of Kreml and the luxurious and beautiful buildings on the Neva stand out as monuments of wanton extravagance when compared with the wretched quarters, extreme poverty and suffering outside their walls. The almost incredible cruelty of the people let loose compares strangely with the great self-sacrifice and humanity manifested by a few noble champions of truth and justice. The autocratic government and the democratic customs of the people, the polished surface and the barbarian content—these are all characteristic features of the strange menacing Russian

nation, the avowed enemy of Western civilization and refinement; they are features which have not failed to place their stamp on Russian policy from Ivan the Terrible to his equal in modern times, the ferocious maniac Vladimir Ilytch Lenin.

The fact is not generally recognized that if there had been neither the Great War nor the Revolution the population of Russia would in all probability have exceeded 210,000,000 in 1925. This would undoubtedly have involved a most formidable threat to the security of Europe and European possessions in Asia. However, the Great War and the subsequent revolutions in 1917-18 put an end to the increase of the Russian people. The casualties of the Russian armies in the various theatres of war have been estimated at 1,700,000 killed. The loss of Poland, Finland, the Baltic States and Bessarabia reduced the total population by nearly 23,000,000. The heavy losses due to famine, epidemics and mass-murder during the Bolshevik reign of terror represent another formidable item. It is difficult to give even an approximate estimate of these losses, but considering that in 1915 the total population of Russia exceeded 182,000,000 and that the population has actually been reduced to 142,000,000 in 1925 the total loss due to these causes cannot be put down at less than 15,000,000; this figure allows for the reduction due to the other causes already mentioned. Taking into account, however, that in 1925 the Russian population falls

70,000,000 short of the figure it ought to have reached under normal conditions the results of the Bolshevik Terror are probably far more devastating. Very likely the number of deaths during the Bolshevik upheaval exceeds 30,000,000 (even if a big allowance is made for emigration and higher death-rate during the War).

It seems as if these formidable statistics should suffice to convince any Russian government of the necessity for giving the nation rest and peace, but apparently the Soviet Government think otherwise.

It would hardly be safe to base a judgment of Russian foreign policy to-day merely on a study of the Bolshevik movement and the present activities of the Soviet Government outside the Russian borders. To find the true nature and bearing of the foreign policy pursued by Soviet Russia it is necessary also to regard the forces and conditions which have determined her policy in the past and led up to the present situation.

Even a cursory glance at the object and aspirations of the Soviet policy will prove that, despite the complete overthrow of its social and political systems and the substitution for its old aristocracy of a ruling class consisting chiefly of Jewish adventurers, the spirit and ambitions of the "Holy Russian Empire" have been preserved by the *Union of Socialist Soviet Republics*.

The change that has taken place is merely on the surface. The nature and outlook of the Russian

people have undergone little change and many of the conditions which have inspired Russian imperialism in the past are still there. In fact Soviet imperialism is nothing but the old imperialism in disguise. The only differences are that it is wrapped up in the fantastic ideas of Communism and that the all-Russian plans are prepared on a still larger scale.

There are many reasons for Russia's desire of expansion. One, and perhaps the chief impulse, of Russian imperialism has been, and still is, her desire for free access to the oceans. The difficulty is that Russia cannot satisfy this desire without interfering with the rights and liberties of other nations. On this point, however, the Bolshevik idea of a World-State has come to her assistance. I will return to this question later.

An active and aggressive foreign policy has often been the means whereby the rulers of Russia have checked internal unrest and prevented revolution, by keeping the mind and forces of the oppressed people occupied. Moreover, unscrupulous rulers and generals have found it an excellent expedient for enhancing their own prestige and power to exploit the imagination of the ignorant masses, playing on their superstitions and dreams of greatness. Finally, the rapid growth of the population before the great upheaval in 1917 added fuel to the imperialistic tendencies of the nation.

During the last two centuries Russia has been

engaged in no less than thirty-three wars of an aggregate duration of over 128 years. Of these wars twenty-two were purely aggressive, *i.e.*, aimed at the conquest of new territories. Still Russia has not settled down. She has merely given herself fresh tasks and changed the methods for satisfying her imperialistic desires. And—what is more serious—these methods have proved successful where the policy of imperial Russia failed.

The peace strength of the Russian army exceeds 686,000, *i.e.*, it is numerically stronger than any other army except the French. Including reserve forces the Russian army consists of no less than 5,280,000, all ranks.

During the Revolution the navy fell into almost complete decay owing to negligence and deliberate destruction. However, the Soviet Government have made great efforts to reconstruct it. The naval programme to be carried out within the near future contains, for the Baltic alone, the following ships: 4 cruisers of the *Borodino* type, which are stronger than Dreadnoughts; 4 Dreadnoughts of the *Marat* type (about 23,000 tons); 4 cruisers of the *Svjatlana* type (about 6,900 tons); 24-30 destroyers of the *Novik* type (about 1,200 tons); 20 torpedo-boats; 6-8 modern gun-boats for coast-defence; 20-30 submarines; and 10 fast patrol-boats.

This, indeed, is a vast programme for a country whose share in the Baltic is limited to a small stretch of coast on the Gulf of Finland. That this

fleet is not being built for defence only is obvious enough.

It has been stated (cp. Whitaker's Almanack 1925) that the Soviet Government has decided to construct an Air Fleet comprising 10,000 machines. As a matter of interest it may be mentioned that the whole Air Force of Great Britain (Home Defence) consists of only 312 aeroplanes and the French Air Force of 990 machines. If this statement about Russia's air programme be true it is another indication of the war-like intentions of the Soviet Government.

It may sound incredible, but it is nevertheless a fact, that for centuries it has been the great aspiration of the rulers and people of Russia to place one day the whole of Europe under the Russian yoke. To them the "Holy Russia" is the chosen nation, the saviour of the world, and the big gulf that exists between Western civilization and the Asiatic stand-point of the Russian people has no doubt increased their desire to mould Europe according to Russian fashion.

There is a document known as the *Testament of Peter the Great* which has played an important part in the history of Russia. This paper was published for the first time in 1812 during Napoleon's Russian campaign and again in 1836, both times in France. There is reason to believe that the whole document is a forgery, but it has nevertheless exercised considerable influence on Russian policy and

public opinion. In fact, it has been accepted by the rulers of Russia as a useful fiction calculated to influence the minds of the people and serve the purposes of a ruthless imperialism.

In a preamble the document is stated to be "a plan for the domination of Europe, bequeathed by Peter the Great to his successors on the throne of Russia, deposited in the archives of the Peterhof Palace near St. Petersburg."

Czar Peter declares that in his opinion the Russian people has been predestined by the Almighty to dominate the whole of Europe. The European nations had reached a state of old-age infirmity and it would therefore be an easy task for a young and rapidly growing people to subdue these nations when it had attained its full growth and power. The Czar compares the coming Russian invasion with the invasion of the Roman Empire by the Barbarians; just as the Barbarians regenerated the Roman people, so the Russians will regenerate the peoples of Europe.

The plan for the conquest of Europe contains the following points, some of which are strikingly modern in their bearing:

ARTICLE I.—*To keep the Russian people in a permanent state of war* so that the soldiers are always fit and trained for service. To let them rest only when it is necessary in order to improve the financial position of the State. To reform the armies and always choose the most favour-

able opportunities for attack. Thus let the peace serve the war and the war serve the peace, both serving the greatness and welfare of Russia.

ARTICLE 2.—To invite generals experienced in war and peace service from the highly cultivated peoples of Europe, in order that the Russian nation may take advantage of others' superiority without losing their own.

ARTICLE 3.—*Always to take part in European disputes and negotiations* whatever their nature, and *especially in those within Germany*, which country, as our nearest neighbour, is of the greatest interest.

ARTICLE 4.—*To spread unrest and dissension* in Poland, win over the great with money, bribe the parliaments in order to influence the election of Kings, thereby pushing our own candidate, let Russian troops march into the country and remain till there is an opportunity for stationing them there permanently. If the neighbours make difficulties, to satisfy them temporarily through partition of the country till we are in a position to reconquer what we have ceded.

ARTICLE 5.—To wrest from Sweden as much territory as possible, *letting ourselves be attacked in order to have an excuse for placing her under the yoke*. Moreover, to isolate her from Denmark, and Denmark from Sweden, and to carefully maintain rivalry between them.

ARTICLE 6.—To select the consorts of Russian princes from among German princesses in order to multiply the family alliances and interweave our interests; thus *to chain Germany to our cause through increasing our influence there*.

ARTICLE 7.—By means of preference *to seek commercial co-operation with England*, since she is the power which is most useful because of her navy and for the development of our own. To

exchange our wood and other products for her gold, and promote frequent alliances regarding commerce and shipping between the merchants and sailors of the two nations.

ARTICLE 8.—*Without hesitation to extend our power in the North along the Baltic, in the South along the Black Sea.*

ARTICLE 9.—*To concentrate our efforts on approaching Constantinople and India, because he who is master there will be the real master of the world. For this purpose to provoke frequent wars with Turkey and Persia. To construct dockyards in the Black Sea and take possession thereof as well as of the Baltic, the realization of these objects being essential for the fulfilment of our plans. To accelerate the decline of Persia and penetrate to the Persian Gulf. If possible to restore the old Levantine trade and penetrate to India, which is the emporium of the world. Once there we shall not need the gold of England.*

ARTICLE 10.—*To seek carefully to maintain alliance with Austria, pretending that we support her designs upon the throne of Germany, but by and by egg on the princes against her. To see that either one or the other asks for the support of Russia, thus sustaining a sort of protectorate preparing the country for real domination.*

ARTICLE 11.—*To interest the ruling house of Austria in the expulsion of Turkey from Europe, but before the conquest of Constantinople to neutralize her rivalry, either through provoking a war between her and the old States of Europe, or by letting her retain parts of the conquered territory which could be taken from her later on.*

ARTICLE 12.—*To enter into alliances with and combine all Orthodox Christians who are now*

spread over Turkey, Hungary and the South of Poland. To make Russia their centre and support, and beforehand establish a supreme authority, either royal or clerical. *All these will be the friends among our enemies.*

ARTICLE 13.—Sweden cut up, Persia vanquished, Poland subdued, Turkey conquered, our armies united, the Black Sea and the Baltic guarded by our ships, then the time will have come to suggest secretly and separately to the courts, first in Versailles and then in Vienna, that the domination of the world shall be divided between us. If one of them accept, which it can hardly fail to do when we flatter its ambition and vanity, it will be employed to destroy the other. Thereupon we shall have to engage in a fight with the remaining State, the result of which cannot be doubtful, *since Russia already owns the whole of the Orient and a large portion of Europe.*

ARTICLE 14.—In case both States decline the offer, which is hardly probable, we must try to *provoke disputes between them, thus making them exhaust their strength in the struggle.* Then at the decisive moment, Russia must spread her united armies over Germany while simultaneously two gigantic transport fleets set out, one from the Sea of Azof and the other from the port of Archangel, both manned with *Asiatic hordes* and protected by the imperial navy in the Black Sea and the Baltic. Crossing the Mediterranean and the Atlantic, these troops must overflow France from one side while Germany is flooded from the other. When these two nations have been defeated the rest of Europe will easily and without striking a blow be placed under our yoke.

*In this way Europe can and shall be placed under the Russian yoke.**

This certainly is a remarkable document and if it has been faked it is undoubtedly a clever piece of forgery. Its crude, almost childish, style affords a striking picture of the Russian mind and Asiatic mentality. In fact it might almost have been dictated by the Great Khan himself. This character of the document explains the fascination it has exercised on the minds of the Russian people and its rulers. The passages quoted in italics recall forcibly the plans and methods of Lenin and his successors in their struggle for the Bolshevik domination of the world. "To spread unrest and dissension; always to take part in European disputes; to chain Germany to our cause; all these will be friends among our enemies"—these are undoubtedly words which sound extremely like the slogans of the Soviet Government.

The points dealing with Russian conquests in Asia call for special attention, since the lines of action recommended have been the basis of Russian policy ever since the document was first known.

"To concentrate our efforts on approaching Constantinople and India, because he who is master there will be the real master of the world. For this purpose to provoke frequent wars with Turkey and Persia. To accelerate the decline of Persia

* All the italics are mine.

and penetrate to the Persian Gulf. If possible to restore the old Levantine trade and penetrate to India, which is the emporium of the world." Could the oriental policy of Russia during the nineteenth and the beginning of the twentieth centuries have been more clearly foreshadowed? Is it not remarkable to see how conscientiously the supposed will of Peter the Great has been carried out by his successors, even by the Soviet Government?

The oriental policy of Russia will be considered in detail later; let me only in this connection call attention to some statements which give a good illustration of the general tendencies of this policy from the Crimean War to the times of Soviet imperialism.

In one of his conversations with the British Ambassador (Sir Hamilton Seymour) on the eve of the Crimean War Nicholas I made the following statement: "For my part I am equally disposed to engage not to establish myself there (at Constantinople) as proprietor, that is to say; as occupier I do not say since it might happen that circumstances, if no previous provision had been made and if everything were left to chance, might place me in the position of occupying Constantinople."

The intention was obvious. The occupation of Constantinople would be the first move towards the fulfilment of Czar Peter's oriental policy, the first step on the way to India. The British Ambassador saw the danger and at a later interview, when the

Czar held out Egypt as the reward for British neutrality, he firmly declared that England desired nothing but "a safe and ready communication between British India and the mother-country."

The next statement to which I will draw attention in this connection was made by Sir George Buchanan to Czar Nicholas II immediately before the outbreak of the Great War. Referring to his own words, the Ambassador writes: "I replied that I had already, a year ago, advocated a frank exchange of views between the two Governments, as I was even then afraid that the trend of events in North Persia would end by creating a situation that might prove fatal to the Anglo-Russian understanding. Events had since been moving fast, and North Russia was now to all intents and purposes a Russian province . . . little by little the whole machinery of the administration had been placed in the hands of the Russian consuls. The Governor-General of Azerbaijan was a mere puppet who received and carried out the orders of the Russian Consul-General, and the same might be said of the Governors of Resht, Kazvin and Julfa. They were one and all agents of the Russian Government and acted in entire independence of the central government of Tehlran."

We have here an authoritative account of how Russia carried out the letter and spirit of Czar Peter's Testament in its relations to Persia.

Although the aim of Russia's policy in Central

Asia was obvious, a certain international courtesy and political consideration forbade the statesmen and diplomatists of the old *régime* to reveal their real intentions. For the Bolsheviks, however, considerations of this description do not exist, or at any rate seem to them less important than propaganda, and they have made no secret of their intentions with regard to India. Let me quote the following passage from the leading article in the Bolshevik organ *Pravda*, Sept. 17, 1920:

"There was a time when capitalistic Europe, and first of all British imperialism, watched with ever increasing fear the growth and influence of Czarist Russia in Asia. . . . Its advance posts were moving nearer and nearer to India, this jewel of the British Crown, and at the same time the Achilles heel of British imperialism. Now the British *bourgeoisie* are disturbed by the unprecedented force with which Communism subjugates even the backward peoples of the East."

Here we see the third link in Czar Peter's Testament—the overthrow of British rule in India. The means by which this object is to be attained may differ from those employed by Imperial Russia, but the object is unquestionably the same.

Persia, Turkestan, Afghanistan, Tibet, Mongolia and China are again the hot-beds of anti-British propaganda and the centres of organized assaults on the colonial system of Great Britain. The difference between the policy pursued by imperial

Russia and the new policy is merely that the latter is carried on in the dangerous disguise of democracy and under the banner of self-determination. The two policies are alike in the fact that they are both the outcome of Russian imperialism. Imperial Russia had in view the ultimate incorporation of India with the Russian Empire; the Soviet Union will take a short cut to reach the same end by establishing an "independent" Soviet Republic under Russian control. The naked imperialism of Soviet Russia has shown its hand.

It is only too obvious that Bolshevism as a social system, being a product of uncivilized conditions, can never be applied to Western Europe. This is an advantage in so far that Bolshevism will never get hold of public opinion in Europe, but at the same time it implies a serious danger. The Bolshevik system is designed for uncivilized and semi-civilized conditions, and this is the very reason why it has proved so dangerously popular not only in Russia but all over Asia. The Soviet Government, in propagating the ideas of Communism, has been able to play the part—and very successfully too—of the saviour of the oppressed races of Asia from their European exploiters.

Ever since Peter the Great laid the foundations of an Empire, Russia has constantly been looking for opportunities of expansion. The Crimean War, the Congress of Berlin, and in recent times the Austro-German policy in the Balkans had

stopped her advance towards Constantinople and the Mediterranean. The Russo-Japanese War in 1904 checked her progress in the Far East, and the Anglo-Russian Convention of 1907 temporarily stopped her march towards the Indian Ocean and India. It was only in the West that further expansion seemed possible and Imperial Russia lost no time in preparing Finland, which she had conquered from Sweden in 1809, to serve as a basis for operations further west. The almost unlimited iron resources of Northern Sweden were tempting enough in themselves, but the main object of this policy was to gain direct access to the Atlantic, to the ice-free ports of Norway. This policy was checked through the establishment of Finland as an independent State. Moreover, the recognition of Esthonia, Latvia and Lithuania as independent States (and their inclusion in the League of Nations) definitely reduced the Russian share in the Baltic to a strip of land by the Gulf of Finland. Finally the re-establishment of Poland and the restitution of Bessarabia to Rumania created a new barrier in the south-west.

The result of it all is that Russia, in her search for a fresh opening, has begun once more to cast her eyes on Central Asia, not only because resistance there seems less strong, but also because further progress in this direction would seriously endanger the position of the British Empire. The Soviet Government have fully realized that the

chief obstacle to the success of their world-campaign is the British Empire which, with its vast economic resources and tremendous reach of power, is in a position to offer stronger resistance to Soviet imperialism than any other nation. They have made their plans accordingly.

The Russians have always distinguished themselves as skilful diplomatists, and the officials of the Soviet Government do not seem inferior in this respect to their predecessors of the old *régime*. They are at present concentrating all their efforts on undermining the prestige and influence of the British Empire, provoking nationalist strife and social unrest in the colonies in order to separate them from the mother-country.

It is clear that an aggressive imperialist policy on the part of the Soviet Government would never appeal to the working classes in Europe, on whose support they rely for the realization of their plans. M. Chicherin, the Russian Foreign Minister, and other Soviet officials with him, have found it convenient therefore to make it appear as if England were the real aggressor—the one great enemy of peace and liberty throughout the world, against whose formidable attacks the establishment of Soviet Republics under Russian leadership is the only safeguard.

Let me quote the following statement made by M. Chicherin to Press representatives during one of his recent visits to Berlin:

"English Ministers," he said, "have not only made threatening speeches against us, but have summoned all countries to form a holy alliance against us. . . . It is known to us that not long ago both the French and Italian Governments answered unfavourably English proposals aiming at collective steps against us."

The intention is obvious; it is to lower the prestige of Great Britain among other nations, making her appear as the aggressor, and also to isolate her from her former allies.

The anti-British campaign of the Soviet Government has been launched as a three-cornered offensive:

- (1) Bolshevik propaganda, the organization of strikes, anti-militaristic and revolutionary propaganda in the Army and the Navy.
- (2) The undermining of the British Empire through revolutionary and anti-British propaganda in the dominions, colonies and spheres of interest.
- (3) Anti-British propaganda in Europe, having in view the political isolation of Great Britain.

The whole of this policy is carefully planned by the Moscow Government, which pulls all the wires, and it is important to notice the close relationship between the Bolshevik activities in the various parts of the British Empire.

The Soviet Government have for a long time

concentrated their efforts on the "bolshevization" of the British trade-union movement. It has even reached the point that the Bolshevik policy aiming at the dissolution of the British Empire has been definitely adopted by the Trade Union Congress. Thus the Congress at Scarborough, 1925, passed the following astounding resolution which might have been taken directly from one of the Bolshevik pamphlets circulated in this country:

"This Congress believes that the domination of non-British peoples by the British Government is a form of capitalist exploitation having for its object the securing for British capitalists of cheap sources of raw-materials, and the right to exploit unorganized labour, and to use the competition of that labour to degrade the workers' standards in Great Britain. It declares its complete opposition to imperialism and resolves to support the workers in all parts of the British Empire to organize the trade-unions and political parties in order to further their interests, and to support the right of all peoples in the British Empire to self-determination, including the right to choose separation from the Empire."

Mr. J. H. Thomas' warning that by passing such a resolution the Congress would make itself ridiculous was of no avail; it was carried by a majority of 3,820,000 votes to 79,000. The Government of Moscow had scored a new triumph for Russian imperialism.

That it is the deliberate policy of the Soviet Government to turn the British Labour leaders into

traitors against the British Empire is shown by the following questions put to the British delegates at the Fifth Congress of the Communist International by one of the Soviet officials:

"Is it possible to destroy the might of the entire capitalist system of Great Britain without bringing into action its colonial population? Will not British imperialism, which has such enormous human and material resources in the colonies, offer a successful resistance to the workers of Great Britain, if the latter do not deprive it of these human reserves which are as boundless as the ocean? . . . Where is your fighting spirit, British comrades? Where is your readiness to carry a decisive struggle for freedom into the most far-flung corners of India?"

That British trade-union leaders have taken this recommendation to heart is proved by the resolution of the Trade Union Congress quoted above.

Since Peter the Great, despite tremendous physical and geographical difficulties, founded the capital of Russia on the marshes where the Neva enters the Gulf of Finland, the aim of her western policy has been to assume complete control of the Baltic and penetrate to the Atlantic Ocean. This policy has been pursued consistently for generations and there is no doubt that, had the collapse of Russia in 1917 not taken place, the goal of her aspirations would have been in sight at the Peace Conference two years later.

As it was, she had to fall back on the positions

which she occupied before the conquests of Peter the Great and Alexander I, behind the lakes of Peipus and Saima with only a narrow outlet to the Baltic. The new situation was confirmed through the restoration of Moscow as the capital of Russia. St. Petersburg, degraded to the name of Leningrad, was no longer considered a safe residence for the Russian Government situated as it is barely twenty miles from the Finnish and eighty miles from the Esthonian borders.

However, it would be wrong to conclude from this fact that the present rulers of Russia have abandoned the traditional policy of their predecessors, and that the Russian menace to the Baltic States and Scandinavia is disposed of for ever. Very likely it is only a matter of time when Russia will again challenge the position of these States, and it is of the utmost importance that they should be prepared for this eventuality.

Moreover, we must remember that the independence of Finland and the Baltic States is a matter of concern to the whole of Europe, not only because these States are Members of the League of Nations, but also because the maintenance of this barrier between Russia and Europe proper is an essential condition for the security of Western civilization. The creation of independent States on the western borders of Russia was one of the few lasting results of the Great War, a result which must not be frustrated through weakness towards any

Russian Government, be it Bolshevik, Imperial, or even Constitutional. Any tampering with the independence of Finland and the Baltic States would immediately intensify the Russian menace to Europe.

It is a great mistake to think that in the event of a bourgeois restoration in Russia the Baltic States would develop best in union with or as a province of that country. Although possibly reunion might increase the commercial activity between these States and Russia it is doubtful whether it would be an economic advantage to them. Even if it were it would be a poor consolation to the population of these States which belongs to a distinctly European race and neither can nor will adapt itself to the Asiatic mentality of the Russian people.

Finally we must not forget that Finland since 1920 and Esthonia, Latvia and Lithuania since 1921 are members of the League of Nations and consequently have the right to protection by the League against any act of aggression on the part of their former rulers. It is a matter of course that in the event of a Russian attack on Finland or the Baltic States the Council of the League of Nations will in the first instance call upon the British Fleet and Swedish and Polish troops to assist in the protection of these States, an enterprise for which naturally all the Members of the League will have to pay the costs. It is obvious that it would mean

throwing chances away if detailed plans for concerted action in the case of Russian aggression were not made beforehand, and neither the Council of the League of Nations nor the governments immediately concerned have been blind to this fact.

The Soviet Government is watching intently every step which would indicate such concerted action on the part of the Members of the League, denouncing all such steps as hostile acts against Russia and more especially against the Soviet system. They conceal the facts that these measures are purely defensive, and do not aim at any interference with the internal conditions of Russia. Naturally the autocratic rulers of Russia are greatly perturbed that the League of Nations prevents them from dealing with civilized States after the same fashion as they have dealt with the citizens of their own State, and their anger is expressed by responsible ministers. Thus M. Chicherin has publicly denounced the League of Nations as the enemy of the right of self-determination, the enemy of the equality of nations, the enemy of the weak, the enemy of the awakening peoples of Asia and the enemy of a true peace policy.

It is clear that declarations of this kind will only further convince the statesmen of Europe of the necessity to be well prepared for any emergency. We will return to this question in the following chapter.

CHAPTER X

NATIONALISM IN EUROPE

"Love of country must be augmented, amplified and beautified by love of humanity, and love of country must never turn against humanity."

Sienkiewicz

Although European trade and industry seem to be gradually recovering from the serious consequences of the War crisis, and although the conclusion of the Locarno Pacts considerably relieved the tension in Western and Central Europe, the situation is yet far from reassuring.

There are still many dangers which threaten the future of Europe and Western civilization. The heavy onslaught of materialism on Christianity, the Bolshevik menace, the threat of German nationalism, and the militarism of France and her Eastern Allies are matters of grave concern to the whole of Europe.

The Continent is still kept in a state of unstable equilibrium by the military preponderance of one group of Powers over the others. The armies of France, Poland, and Czecho-Slovakia, totalling over a million men, are strong enough to restrain Germany—whose army is limited by the Versailles

Treaty to one-hundred thousand—from any attempt to apply military measures for the settlement of outstanding differences; and the armies of the Little Entente have a similar preponderance over those of Austria, Hungary and Bulgaria. But it is clear that the stability thus achieved by force cannot last, and that the Locarno Treaty will be but a dead letter unless it is followed by a drastic reduction of armaments on all hands. There is no doubt that if this change of the situation does not take place within the near future the Nationalist forces in Germany will gain considerably in strength, a far greater danger to the security of France than any reduction in armaments.

The situation is complicated through the fact that general disarmament cannot be carried out as long as the Russian menace to the security of Europe is not effectively disposed of, but as we shall see presently there are means for coping with this difficulty.

It is no good hiding the fact that among the Allies and also among ex-neutrals Germans are still looked upon by many as pariahs or outlaws—a result due very largely to the atrocities committed by the German forces during the War. The breach of the guarantee-pledge to Belgium, the molesting of Belgian women and children, the sinking of British hospital-ships, and the crucifying of Canadian prisoners are acts which have carved deep marks in the consciousness of most civilized nations.

If only those criminals who were responsible for these acts of cruelty had known how terribly they were thereby injuring the reputation of their own nation, for generations to come, they might have refrained from committing them. But now the harm is done, and the prestige of Germany has, unquestionably, been lowered. Yet it seems somewhat hard that a whole nation should be judged entirely by acts committed presumably by its lowest members, whether soldiers of distinction or not. It is neither wise nor fair to judge a nation by its faults alone, leaving its merits out of consideration. It should not be forgotten that some of the greatest thinkers ever born were Germans, and that few nations have contributed more to the development of music, science, literature and philosophy. It is greatly to be regretted that the names of "Bosches" and "Huns" given to the Germans during the War are still in use; though it is interesting to note that those who most frequently apply these expressions belong to the very class of people who did least in the War, while boasting most of their achievements.

On the other hand, it is of the utmost importance that the German people should give definite proof of their good-will. The preaching of hatred against Great Britain and France in schools and universities must cease, and the bitter and aggressive tone of the German Press on the slightest prov-

ocation should—even if it cannot be suppressed altogether—at any rate be discouraged by the authorities and all sensible Germans.

On several occasions since the War I have had the opportunity of studying the feeling prevailing in Germany, and at no previous time did it give rise to more anxiety than immediately before the Locarno Conference. The Ruhr occupation, the settlement of the Silesian question, the presentation of the Allied Note on Disarmament and the delay in the evacuation of the Cologne district together with regained confidence due to a wonderful recovery of strength had added fuel to the flame of hatred and revenge in Germany, and there is not the slightest doubt that, had the Locarno Conference failed to reach an amicable settlement, the situation in Europe would now have been one of extreme gravity.

The Soviet Government is not content with merely trying to separate Great Britain from her colonies. In order to break the might of the British Empire they have also thought it an excellent plan to isolate Great Britain from the rest of Europe. In this policy they can reckon on the support of a portion of the German people whether they call themselves Nationalists, Fascists, Hakkreutzer or Pan-Germans, all of whom consider Great Britain as the chief obstacle to the realization of their plans. These German reactionaries

are far more inclined to wring temporary advantages for themselves out of the Russian menace than to fight it.

Signs are not wanting that the anti-British campaign in Europe, skilfully conducted from Moscow and the nationalist headquarters in Berlin, has produced results. Public utterances to the effect that Great Britain is essentially a non-European power, whose influence in European affairs ought to be reduced to a minimum, are not uncommon; and even in the moderate Press stress has frequently been laid on the idea that both America and the British Empire are gradually losing touch with the conditions in Europe because their principal interests are concentrated in other continents.

We need only look at the figures for British trade with the other nations of Europe to realize how completely mistaken this idea is. But the mere fact that it has been propounded on the Continent is interesting. Just as the object of the Soviet policy is to force Great Britain out of Asia, so we find a movement on the Continent which tends to place Great Britain outside the sphere of European politics. There can be no doubt as to the sources from which this movement emanates. For the time being there may be no cause of great anxiety, since Great Britain has recently proved that she plays a very prominent part in European politics, but watchfulness on this point is nevertheless of the utmost importance in order to avoid a disagreeable

surprise in the form of a continental combine directed against the British Empire.

We have M. Chicherin's word that this is what the Soviet Government are aiming at.

At a recent Congress of Soviets in Moscow he outlined the idea of a great Euro-Asiatic *bloc*—"Eurasia"—comprising not only Russia and the Mongolian Powers of Asia but also Poland, Germany and France; a *bloc* extending from the Pacific Ocean in the East to the Atlantic coast in the West. The hereditary enemies of the continental States were the Anglo-Saxon nations, the British Empire and the United States of America. The domination of the world must be wrested out of their hands.

The idea undoubtedly sounds fantastic, and France, Germany, Poland and Japan would hardly be flattered by the company chosen for them by M. Chicherin. Nevertheless this colossal scheme of Asiatic rather than European imagination contains a kernel of truth and displays a definite tendency which it would be unwise to ignore, especially when we take into consideration recent developments in the Far East and the energetic policy of the Soviet Government in that part of the world.

The dominating figures of the Eurasian *bloc* would be the vast, uncivilized and almost uncontrollable mass of Russia and China, both possessed of practically unlimited possibilities for development. But the present leaders of Russia realize

that very likely no progress is possible unless they can gain the support of either of the two well-organized and efficient Powers in the East and West, Japan and Germany—Powers on whose policy the peace of the world depends more than on that of any other nation. The secret agreement recently concluded between the Soviet Government and Japan, and the Russian policy towards Germany, with the object of keeping her out of the League of Nations, must be viewed in the light of Soviet imperialism.

Japan will certainly hesitate to break with the policy of progress and stability which she has so far pursued loyally in close co-operation with the Western Powers. The statesmen of Japan have shown so much appreciation of Western culture and civilization that they could hardly be suspected of joining forces with those Powers whose principal aim is destruction. There is every reason to believe that Japan will remain true to her principles.

After the conclusion of the Rapallo Treaty in 1922 the relationship between Germany and Russia has on the whole been of an intimate, and sometimes almost cordial, nature. Germany, obviously, is aware of the fact that Russia might be a rich field for enterprise and exploitation—a fact which is all the more important to her since she has lost the whole of her colonial system. Moreover, Germany before the Locarno Conference was very susceptible

to Russian overtures in the matter of her eastern frontiers.

On the other hand, Germany knows full well that to play the Russian game means to place her forces on the side of heathenism and Bolshevism in their struggle against Christianity and Western civilization—a distasteful game to which she could be driven only by utter despair.

The conclusion of the Locarno Pact is an important step in the right direction. Perhaps its greatest significance lies in the fact that the powers of reason and moderation in Germany have prevailed over the forces of reaction and passion. This is undoubtedly a severe blow to Bolshevik diplomacy and Soviet imperialism, since German discontent and hatred of her former enemies were meant to play an important part in the realization of the Russian plans. This time, as well as during the Kapp Revolt in 1920, the plot of the Soviet Government never came off, owing to the fact that they had miscalculated the commonsense of the German *bourgeoisie* and working-classes.

There is no wonder that the attention of the whole of Europe at the present time is concentrated on Germany. In spite of the fact that her teeth have been drawn and her claws cut, she is undoubtedly the strongest Power on the Continent. The result of the German census on June 16th, 1925, shows an increase of the population by 3.3 millions

since October 8th, 1918, which is an increase of 5.6 per cent. These figures have not failed to impress French public opinion. Considering also the enormous economic development of Germany at the present time it is fairly obvious to anybody who is not blinded by the facts of the present political and military situation that, unless something unforeseen happens, as a result of German obstinacy or menace, it is only a question of time till Germany can have it all her own way on the Continent.

For Germany the wisest line of conduct is undoubtedly a policy of peace and compliance and a strict adherence to the principles of the League of Nations. In fact this opinion is gaining ground among the more enlightened politicians in Germany. There are even those who are conceiving plans to create an entirely new grouping of the European Powers within the League of Nations.

The idea was first adumbrated by Count Coudenhove-Kalergi, the leader of the Pan-European movement in Austria and Germany. He is of the opinion that unless the twenty-six States of Europe with their dwarf-economies—and separated as they are by customs-walls, national jealousy and political differences—join together to hold their own in the competition with the four gigantic combines (the British Empire, the United States of America, Russia, and the Far East), the fate of Europe is doomed. Pan-Europe, he says, is no longer an Utopia of yesterday but a political necessity of the

future. Germany, France and Italy are the three big blocks in that united empire, over which Charlemagne ruled, for which Napoleon struggled, of which Nietzsche dreamed.

The idea of creating a confederation of the European States has its supporters also outside Germany, even among leading politicians in France. But it is especially in Germany that the idea has taken root. It is natural that the Pan-European idea should be popular in Germany, since undoubtedly it is very closely related to the Pan-German idea, or, in other words, to German Imperialism. This is a reason why any German scheme on Pan-European lines must be treated with great caution.

There is no doubt that the German people feels intensely uncomfortable in its present state of isolation, and is longing for the moment when the walls round Germany can be broken and the expansion begin again. There are only two alternatives: peaceful penetration, or military force. The former method is the slower, but by far the less dangerous. The latter, if the attempt is unsuccessful, would mean the end of Germany as an independent nation.

The conclusion of an Austro-German union would be the first step towards renewed German expansion. Already two out of the three main political parties in Austria have declared in favour of union, and it is due chiefly to financial considerations and to the pressure of France and the Little En-

tente that the union cannot be accomplished at the present time. However, the matter is of great importance to Germany since it would add enormously to the prestige as well as to the confidence of the German people, and would be an incentive to a vigorous foreign policy. We must not forget that there are strong German minorities in Czecho-Slovakia, in the northern districts of Jugo-Slavia, in the Italian Tyrol, in Alsace-Lorraine, in various parts of Poland and in the Baltic States. In all probability these minority-groups would, in the event of an Austro-German union, frankly claim reunion with Germany, who would thus procure many fresh openings for further expansion.

But clearly neither France, nor Italy, nor the Little Entente would tolerate so formidable a threat to their security. There is little doubt, therefore, that an Austro-German union, if carried out within the next fifty years, would set alight a new European conflagration. After the lapse of that period, however, the matter might be different, since Germany—if left alone—would then be strong enough to take on practically any combination of Powers on the Continent. Neither financial considerations nor the pressure of their neighbours would then be likely to prevent a union between Austria and Germany based on the solid public opinion of both countries. Then the way for the creation of a continental *bloc* might be open, but it would be a combination of Powers under

German leadership directed against the heart of the British Empire.

Even apart from the consideration that very likely a Commonwealth of European States could never be created except by a dominating Power and under military pressure, we are by no means convinced of the soundness of the Pan-European scheme. The idea of splitting the world into four big camps, which would necessarily compete for the domination of the world, is opposed directly to the principles of the League of Nations, which stands for unity and co-operation between all nations. Instead of maintaining peace and stability such a policy would certainly in the long run result in a general chaos.

Apparently there is one point which public opinion in France has not grasped and which no doubt explains some of the reverses of French foreign policy since the close of the War and this is that for the maintenance of good relations with Great Britain it is necessary to avoid all measures which might constitute a threat to the security of the British Isles. The strained relations between Great Britain and Germany before the War, due largely to the naval armaments of the latter country, are good illustrations of this point, and there is no doubt that the attitude of France as regards air-armaments has influenced the attitude of Great Britain towards her old ally. At present the British Air Force (Home-Defence) is in a minority of less

than one to three as compared with the French. At the end of 1925 the British Forces comprised 26 home-squadrons of 12 machines each, or altogether 312 machines, as against the 110 home-squadrons of France comprising 990 machines. We have no doubt that the French air-armaments are not directed against England but have in view defence against German aggression. However, British public opinion has been roused on several occasions by provocative articles, contemplating air-raids on London and submarine-blockade, which have appeared in certain French newspapers. This has produced a feeling of uneasiness, and certainly has made an understanding between the two nations on the issues of European policy considerably more difficult than if the whole British nation had felt secure about its great neighbour. It would repay France well in the future to bear this fact in mind, since it would no doubt facilitate a settlement of the vital issues of her foreign policy.

There are those who maintain that British policy should be concentrated solely on the development, politically and economically, of the Empire, and, in accordance with the idea of "splendid isolation," should refrain from all interference with the conditions of Europe. These arguments are based upon a double fallacy. The idea of isolation is an old myth. It is a great mistake to think that Great Britain has ever been isolated politically from Europe; on the contrary, she has always taken a

keen interest in European politics and with great success has played the part of the needle in the balance of power. It was due solely to the far-seeing policy of Castlereagh and Metternich restoring France to power against the wish of the Prussians, that it was possible for England to avoid military intervention on the Continent (except for the Crimean War) for very nearly a hundred years.

Secondly, we must not forget that the existence and development of the Empire depends primarily upon the welfare and safety of the Mother Country. Neither would be possible if England kept aloof from the Continent. The figures of British trade-statistics give a good illustration of this point. More than one-third of the total exports of Great Britain is absorbed by Europe, whereas less than 12% go to India. Germany, France, Holland and Belgium together consume more British goods than the whole of Canada, Australia, New Zealand, and South Africa.* Moreover, it is clear that if England left the nations on the Continent alone to fight their own battles and make treaties and alliances between themselves, she might find not only that her economic interests would be injured, but that her national safety might easily be threatened by a

* This does not mean that the trade with the Dominions is less important than the trade with the Continent. Owing to the nature of the goods exchanged with the Dominions the net profit of this trade is considerably larger. This may not, however, always be the case since the Dominions have begun to manufacture many articles which they previously imported from the Mother Country.

powerful combination of European States. These are the reasons why British isolation from European politics is an absurd proposition.

On the other hand it would be a grave mistake of the British Empire to enter into separate alliances directed against one or several nations, or to pledge the British forces to definite action under indefinite circumstances, as contemplated in the Geneva Protocol. A policy on either of these lines would not only be opposed to the fundamental interests of Great Britain (since she might easily be dragged into a war contrary to her own wish and to the expressed desire of the Dominions), but would also render a general settlement of the European situation considerably more difficult. The policy of balancing the Powers of Europe, pursued for centuries by Great Britain, has saved the nations of the Continent on more than one occasion from being conquered and dominated by imperialistic powers; and we are firmly convinced that it is essential to the stability of Europe that Great Britain should not be tied to any Power or group of Powers, but be free to act in conjunction with the League of Nations for permanent peace. The treaty of mutual guarantee was not inconsistent with this principle since its bilateral character was carefully preserved.

It is a well-known fact that on the Continent England is often represented as the "perfidious Albion" who stretches her tentacles all over the

world and threatens to swallow up every nation which is not sufficiently protected. Obviously what many nations of the Continent fail to see is that Great Britain as a world-power has never had and never will have any desire to dominate Europe. The idea of raising big armies for the purpose of conquest is foreign to British policy, the aim of which has always been first of all security and secondly the colonization of foreign continents. The policy carried out by Great Britain for centuries aims at nothing else, and will never lead to oppression for any nation. It is most important for the re-establishment of stable conditions in Europe that the peoples of the Continent should realize these simple facts, and that the deeply-rooted suspicion of British policy should be removed.

The anti-British feeling among certain continental nations which expresses itself in bitter attacks in parliaments and newspapers at practically every important move of British foreign policy, is no doubt due partly to her present strong position. In this connection we need only recall the press-campaigns against England during the Corfu affair in 1923; during the Egyptian troubles in 1924; during the discussions on the evacuation of Cologne; and after Mr. Chamberlain's speech on the Protocol at Geneva this year. The fact that Great Britain has brought under her dominion immense and valuable countries all over the world is viewed with disfavour by many nations. But they forget that

the position of England to-day is the result of determined work and far-seeing planning, and this to an extent of which no other European nation has proved capable. Moreover, we must remember that among the great Powers England established her colonial system first, and consequently had first choice. Actually none of the great Powers occupies a more independent position in Europe than Britain. For this reason, and because of her great resources, British participation in the reconstruction of Europe is needed more urgently than that of any other nation, and it is therefore of the utmost importance that the atmosphere on the Continent should be cleared from anti-British feeling. It must not be forgotten that the magnificent result of the Locarno Conference was due primarily to British efforts.

CHAPTER XI

THE GENEVA DEADLOCK* AND AFTER

"My son, you will be surprised with how little wisdom the world is governed."

Axel Oxenstierna

After ten days of strenuous deliberations and nervous tension the Assembly which met at Geneva on March 8 to consider the question of Germany's admission to the League rose without having reached an agreement. The Assembly admitted with regret "that the difficulties so far encountered have not permitted the attainment of the result for which it was convened," and it was decided to adjourn the question of Germany's admission till September.†

To many this failure was a great surprise and a bitter disappointment. The judgment of public opinion all over the world has not been mild. Hard words have been used denouncing not only the intrigues and underground work which were supposed to have brought about the crisis, but also

* The main portion of this chapter, which was published in the July number of *The Nineteenth Century*, is reproduced here with the kind permission of its Editor.

† The Locarno Powers, however, solemnly declared that the spirit and implications of the Locarno Treaties remained intact.

the policy of those statesmen whose efforts at Locarno seemed to have opened a new era for European politics. Even the League itself has been severely attacked.

This criticism culminated in the report presented by Mr. Houghton, the American Ambassador in London, to President Coolidge and the Secretary of State on the condition of affairs in Europe, with particular reference to the events and tendencies which caused the deadlock at Geneva. Let us quote the substance of this report, which was given publicity through the American Press: *

The continent of Europe, so far as its statesmen are concerned, has learned nothing from the war; the League of Nations, far from becoming a truly international instrument for the organisation of peace, is moving towards a revival of the Alliance of 1815, with the tremendous difference that it cannot hope to guarantee forty years' tranquillity in Europe; in this movement France is the leader, with certain satellite Powers aiding and abetting, and with the British Government reluctantly carried along—reluctantly because the tide of British feeling sets strongly in the opposite direction and yet, in the opinion of Sir Austen Chamberlain, inevitably because co-operation with France is desirable in the Near East and elsewhere; the Powers of the European continent do not genuinely wish to disarm and do not relish or want American participation in their councils; the preliminary arms conference at Geneva will meet, if it does meet, to discuss

* *The Times*, March 19, 1926.

proposals upon which agreement is neither desired nor expected and which have been deliberately and disingenuously advanced in order to make failure certain. There is no hope for disarmament until the present madness has run its course, and weariness or impending disaster brings a change of heart. The French argument that industrial resources should be included in the calculation of military capacity has been put forward as a subterfuge, as a screen behind which the growth of the balance of power, heavily weighted in favour of France, can proceed with the minimum interruption. The determination to poison the discussion of disarmament even before it begins, lies behind the unwillingness of Continental Powers to face the application of the Treaty of Versailles which would make the entry of a disarmed Germany into the League of a signal for similar restrictions by other Powers.

It is much to be regretted that this report was ever published. Even if it had presented a true picture of the European situation, consideration of its possible consequences should have prevented the American Ambassador from giving it publicity. That in these troubled times when co-operation between the Western nations is needed more than ever an Ambassador of the United States should not only hold such views but also propagate them is undoubtedly a cause of grave anxiety.

If the object of this action were to lower the prestige of the League of Nations in America, and thereby strengthen the hands of those who believe that America should keep aloof for ever from the

League and political co-operation with Europe, it has probably produced the desired effect, since the American public are accustomed to have confidence in the judgment and observations of their representative at the Court of St. James. If, however, this action were a link in a definite policy having for its object to prevent united action between the Great Powers of Europe—for fear that this might end in financial co-operation directed against the United States—it has failed hopelessly to attain its object. In fact, there are indications that it has produced the opposite effect, *i.e.*, that it has increased rather than reduced the strength of feelings in Europe against the creditors on the other side of the Atlantic.

It is interesting to compare Mr. Kellogg's sober and broadminded opinion of the disarmament question with the statements of his successor. In a speech delivered at the luncheon of the Associated Press in New York on April 20 Mr. Kellogg, now the Secretary of State, is reported to have said: *

The desire for further limitation of armaments is universal, but with that desire there is a most natural demand for security. We would not be candid with ourselves or just to others if we did not recognise the peculiarly fortunate situation of our own country in this respect. With our detached position and our geographic

* *The Times*, April 23, 1926.

isolation from those areas of the world where conflicting territorial or political issues have led to the maintenance of large standing armies, we have been able to reduce our land forces. . . . We have every reason to rejoice that our situation has permitted this, but no justification for overlooking the different problems with which other countries are faced.

This statement is important, not only for its justice of judgment, but also because it clearly shows that the American Government have not accepted the views of Mr. Houghton on the disarmament question or been misled by his account of European affairs.

If we try to analyse without prejudice the conditions which led up to the deadlock at Geneva, we shall find that it was due more to a series of unfortunate circumstances than to a new warlike spirit and schemes of evil nature. Let us consider some of these circumstances.

Returning from his holiday visit to Italy in January, Sir Austen Chamberlain stopped in Paris for a conference with M. Briand on the forthcoming meeting of the League of Nations. In the course of their conversations M. Briand is understood to have urged upon the Foreign Secretary the importance of Poland being given a permanent seat on the Council at the same time as Germany. France was anxious to maintain friendly relations with Germany, but if France would always have to rep-

resent Poland on the Council she was likely to come into conflict with Germany over matters which were essentially Polish and not French. If, on the other hand, Poland were represented on the Council, France would not only be in a better position to keep up friendly relations with Germany, but France and Great Britain would be able to mediate in disputes which might arise between Poland and Germany to the benefit of the whole of Europe.

Sir Austen Chamberlain was naturally impressed by these arguments, and was certainly determined, without giving any pledge in the matter—he had not been in touch with his colleagues in the Government since his departure for Italy—to give the French view a fair hearing. We must remember also that the British Government was under a special debt of gratitude to M. Briand, not only for his attitude at Geneva when the Protocol was on the tapis and during the Locarno Conference, but also for his loyal support of the British Government in the Mosul question despite opposition in his own country to such a policy.

Shortly after Sir Austen Chamberlain's return to London rumours were being spread to the effect that the Foreign Secretary was inclined to support the Polish claim for a permanent seat on the Council, and that, in fact, he should have given a definite pledge in this respect to M. Briand. The truth of this last version was denied on January 30 by

the Diplomatic Correspondent of the *Daily Telegraph*, who wrote: "In these circumstances it is gratifying that Sir Austen Chamberlain should have declined to commit himself *definitely* in the matter without further consideration." * However, this carefully-worded denial was generally interpreted as a positive statement to the effect that, although no definite pledge was given, the Foreign Secretary had let M. Briand understand that he was favourably disposed towards the Polish claim. It was also given out that he had promised the Spanish Ambassador in Paris, Señor Quinones de Leon, to support the Spanish candidature to a permanent seat on the Council in continuance of the policy pursued by the British Government in 1921. The matter was further complicated through articles in the French Press demanding an extension of the Council for the purpose of creating a counterpoise to Germany.

This was more than the public could digest, and a storm arose in the Press. Violent attacks in the German Press were seconded by severe criticism of the French attitude in the leading British and Swedish newspapers. It was feared that the French Government was trying to form a kind of Latin-Slavonic coalition in the Council with a view to counteracting and neutralising German influence. These groundless fears which were given publicity through the Press all over the world did not im-

* The italics are mine.

prove the situation. The great mistake was that in the general mind the policy outlined by *Le Temps* was identified with that of the French Government, whereas, in fact, the much-debated leading article of that paper which appeared on February 9 was inspired, not by the Government, but by M. Laroche, the French Ambassador-designate to Warsaw, whose views in the matter are considerably more pronounced than those of M. Briand.

It has been suggested that if at an early date the German Government had been informed in a friendly spirit of the French standpoint they would have been more ready to listen to M. Briand's argument, and that a way out of the difficulty might then have been found before the Geneva Conference. As it were, the German Government had to rely for information on reports in the Press and current rumours which were often misleading and sometimes wholly untrue. This naturally caused an atmosphere of insecurity and distrust.

Whether or not this criticism is justified we do not know, and for the simple reason that we have no proof that the German Government was not consulted or kept informed by the British and French Governments.

The *Morning Post* of February 10 contained the following sensational message from its Geneva Correspondent:

The most reliable authorities indicate that Spain is certain to be given a permanent seat at the same time as Germany. . . . It is stated that Sir Austen Chamberlain has changed his point of view, while France, Italy and Japan have always favoured giving . . . Spain . . . a permanent place.

On the other hand, a reassuring statement appeared the following day in the *Daily Telegraph*, the Diplomatic Correspondent writing:

Therefore all reports and rumours current here and on the Continent to the effect that the British Government and the Foreign Secretary have actually either promised or denied the privileges sought by this or that country are utterly groundless. . . . Sir Austen Chamberlain, when recently in Paris, was on this account most scrupulously careful not to give any pledge in the matter, whether to M. Briand or to Señor Quinones de Leon, whether about Spain, Poland or about any other country.

However, the storm once aroused was not easily calmed. Every day the atmosphere became thicker, and it was soon clear that the forthcoming meeting of the Assembly would not be one of peace and mutual understanding.

On February 23 Sir Austen Chamberlain spoke at Birmingham, explaining why he was not on principle opposed to creating additional seats on the Council. He pointed out that eleven members

were not sufficient to speak the moral judgment of the world, especially not in critical circumstances, when six out of the eleven might be unable to take part in any decision because they were themselves interested parties. This might lead to the absurd situation that a minority would have to pronounce the judgments of the Council.

This speech was generally considered as a confirmation of the intimations which had appeared in the Press, and the feelings in the country began to run very high against the Foreign Secretary, rumours even being spread that he would be compelled to resign.

However, Sir Austen Chamberlain partly dispersed these suspicions at the meeting of the League of Nations Parliamentary Committee on March 1, when he declared himself immovably opposed to the suggestion that any States should be elected to the Council as a counterpoise to Germany. Three days later in the House of Commons he denied emphatically the rumour that he should have contracted any engagements as regards the composition of the Council, or any other question, when he passed through Paris on his return from Rapallo.

Thus the whole tangle of intimations and misrepresentations which had been discussed for weeks all over Europe fell to the ground. We have here a striking example of the harm which can be caused to international relations through sensational ru-

mours and badly informed articles in the Press.

As a result of his speech, and with the Prime Minister's support, the Foreign Secretary secured a vote of confidence by a majority of no less than 100 votes.

Sir Austen Chamberlain departed for Geneva with the following instructions. He should uphold the principle that only the Great Powers were to be represented permanently on the Council of the League of Nations, Spain, however, to be ranked in a class of its own which might require special treatment. Neither Poland nor Brazil were to be given permanent seats on the Council, but the desirability of electing Poland to a non-permanent seat at an early date was recognised. Any change in the composition of the Council which would prevent or delay Germany's entry into the League, thus endangering the Locarno Pact, should be opposed.

The air was highly explosive when the Assembly met at Geneva on March 8. For over a month the nations had been preparing for the coming contest, and it was at once clear that Sir Austen Chamberlain, who arrived at Geneva determined to do his utmost for a settlement, would have an uphill fight.

We know the result of the meeting. In spite of Sweden's generous offer to resign her seat on the Council so as to make room for Poland, the meeting stranded on the single vote of Senhor Mello-Franco, the representative of Brazil, who refused

to cast his vote for Germany's admission unless Brazil was guaranteed a permanent seat on the Council.

The fact that Brazil remained persistent to the bitter end, and actually made use of her right of veto, created great astonishment, and immediately gave rise to rumours that her action was secretly approved by some of the Great Powers. The main suspicion fell on Italy and France, but Great Britain, the United States, the Vatican, and even Germany herself, were also suspected for secret understanding with the Brazilian Government.

The Trentino incident, which took place after the signing of the Locarno Pact, was supposed to account for the changed attitude of the Italian Government, and the fact that the Italian Secretary for Foreign Affairs had informed the Italian journalists that any criticism of the Brazilian action would be censored by his Government was quoted as a proof of their guilt. The French Government was supposed to have changed its attitude as a result of the increasing activities of the *Anschluss* movement, which had given rise to a series of articles in the French Press and considerably excited public opinion.

However, these suggestions seem extremely doubtful, especially considering the fact that ever since the League was formed Brazil has persistently demanded a permanent seat on the Council and taken up a very unconciliatory attitude in the mat-

ter. She considers herself entitled to a permanent seat on the Council, since she is the principal Power of America represented on the League of Nations. In 1921 she voted against Spain's admission to a permanent seat for the mere reason that she was not granted one herself, and the circumstance that at the Assembly Spain's candidature seemed to be favoured rather than her own did not make her more disposed to giving up her claim. In these circumstances it seems hardly just to throw the blame for Brazil's action on any other State.

Brazil chose the moment when vital issues were at stake—and consequently her right of veto placed her in a position to bring pressure to bear on the League—for trying to force her claim. In this she took a heavy responsibility and acted contrary to the spirit of the League. In the circumstances it would have been her duty, as a member of the League, to place her own national interests after those of humanity as a whole.

However, the action of Brazil teaches the nations of Europe a lesson. If Brazil had never been dragged into the intrigues and petty disputes of the European nations, she would have been less impressed by the strength of her own cause and probably refrained from the drastic step she now took.

A nation whose attitude deserves special recognition in this connexion is Sweden. The words of Sweden's great Chancellor quoted above are still

true to-day when Sweden has again been brought into the field of European politics—this time not as a conqueror and a Great Power, but as the upholder of fair play and good manners in international relations.

When in 1905 Sweden gave Norway freedom without a shot being fired, she set a fine example of international conduct. When in 1921, in the interest of peace, she submitted to the decision of the League of Nations handing over the Aaland islands with their purely Swedish population to Finland, she set another precedent of international discipline. When, finally, at the March Assembly of the League of Nations she took a firm stand against the powers of intrigue and offered to make room for Poland on the Council of the League rather than that Germany should not be admitted to the League and the Locarno Pact fall to the ground, she placed for the third time her own important interests after those of peace and humanity as a whole. She thus showed her complete superiority over those nations which were fighting with all their might for a seat on the Council without regard to the fact that they thereby injured the cause of the League and endangered the settlement of the security problem. Her action taught these States a good lesson in international behaviour and gained for her the respect of every nation in the League.

As we have emphasised already, the breakdown

at Geneva was primarily the result of awkward methods and unfortunate circumstances. However, we cannot help thinking that what happened to Geneva was a warning to Europe. The March meeting of the Assembly was the first occasion on which conflicting interests of the great ex-enemy Powers were involved. It gives a foretaste of what might be the result of Germany's admission to the League. It does not by any means constitute a reason for refusing her admission—since this is the essential condition for a permanent settlement of the security problem—but it shows the necessity of watchfulness and careful preparation before every important meeting of the League. Without these precautions the very existence of the League might easily be endangered.

It is difficult yet to foretell the outcome of the September meeting of the League. There are two things which ought to be avoided.

One is any further delay in admitting Germany to the League and to the Council. The suggestion that Germany from now on should be treated as a *de facto* member of the Council, and that no great harm would be done if the September meeting adjourns its decision on this point, seems highly unsatisfactory. We do not know the origin of this suggestion contained in a Memorandum widely circulated among diplomatists and politicians, but it displays a tendency against which we must be on our guard. It may not be that it emanates from

circles where Germany's admission to the League is viewed with anxiety and where the general desire is to prevent her admission, but if it does, this document is undoubtedly a clever diplomatic move. If Germany could be persuaded to accept the situation contemplated in this document, many of the advantages of her admission to the League would be safeguarded, while, on the other hand, the danger of her obstructing the work of the Council and introducing matters which might lead to serious conflicts would be avoided.

However, Germany is not likely to accept a situation which would thus encroach upon her national dignity. We must remember also that Germany's admission to the League is the only condition on which the Locarno Pact will come into force, and that therefore the whole settlement of the security problem would be imperilled if Germany remained outside the League. For these reasons the suggestions contained in the above Memorandum should be treated with great caution.

The other point of importance is that Spain and Brazil must be persuaded to remain in the League and accept re-election to the Council. Considering that Brazil is by far the most important State of America represented on the League, that her population is nearly as big as that of all the other South American States taken together, that her territory is larger than that of the United States

(proper), and that she is possessed of immense natural resources, it is clear that her resignation from the League would be a very serious matter. Her example might be followed by other South American States, and the League of Nations would tend more and more to become—what it should not be—a mere European League. It is of the greatest importance, not only for those European nations which have vital interests outside Europe, but also for America, that this should be prevented. A European League might easily develop into a kind of combine against America, and serious conflicts between the two continents might then be difficult to prevent.

Owing to the fact that the importance of the Council is steadily increasing, its reconstruction has become a matter of urgent necessity. Nations who are not represented on the Council feel that they cannot keep in touch with or influence the policy of the League in important matters which are settled by the Council and not by the Assembly.

On the other hand, the Council must not be made too large and cumbersome. We must remember that all its decisions on matters of policy require a unanimous vote, and that the larger the Council is the more difficult will it be to obtain unanimity.

We have fresh examples of how difficult it is for the Council to arrive at a decision on any matter of vital importance, and there is no doubt that, unless the unanimity clause is previously removed, any

further extension of the Council would almost inevitably result in a stalemate position.

The object of the unanimity clause is to preserve the sovereignty of the various States. But there are other means of safeguarding the same object even if that clause were removed. Thus, if the majority rule were introduced, the provision could be made that in cases where the sovereign rights of any nation or nations are involved no decision of the Council should be binding without their consent. The somewhat elastic wording of this provision might in certain cases give rise to differences of opinion; but it would have the great advantage over the present hard-and-fast rule that it would make smooth working possible, an essential condition for confidence and stability in international affairs. Moreover, it would prevent any one nation from trying to enforce its own claims through threatening to use its right of veto to the detriment of other nations and humanity as a whole. A reform of the constitution of the League of Nations on this point is of the utmost importance, since the unanimity rule, if maintained, is bound to prove fatal one day to the existence of the League by creating a position of stalemate followed by wholesale resignations of the States involved.

There are, mainly, two lines which a reconstruction of the Council can follow.

One is to introduce the much-discussed system of rotation, according to which the non-permanent

seats on the Council should be distributed among groups of the more important minor Powers whose international interests are supposed more or less to coincide. Only the traditional Great Powers—Great Britain, France, Germany, Italy, and Japan (eventually the United States and Russia)—would be permanently represented on the Council.

The alternative proposal is to introduce a system similar to that which at present exists for the election of the governing body of the International Labour Office. The qualifications of the various nations are calculated on the basis of their industrial importance in accordance with a special index. In the case of elections to the Council the qualifications would naturally have to be somewhat different, so as to indicate not only the industrial but also the general importance of each nation.

The index numbers might, for instance, be arranged according to the following table:—

1. Total number of adults having received elementary education.
2. Elementary education per thousand inhabitants.
3. Academic education per thousand inhabitants.
4. Estimated value in sterling of total industrial output.
5. Total horse-power employed for industrial purposes.
6. Estimated value in sterling of exports.

7. Estimated value in sterling of imports.
8. Total length of railways.
9. Tonnage of mercantile marine.

For each of these categories should be given an index number proportionate to the result obtained by each nation according to official statistics, and the order of precedence between the nations should be determined by the total score they have thus obtained.

It might be decided either that those five (or seven) nations which rank highest according to this scale should be members of the Council as long as they are qualified, and that among the remaining nations those which have obtained a certain minimum total should be elected in rotation to membership of the Council, or else that all nations which have obtained a certain quota should be entitled to membership of the Council as long as they maintain their position according to the above scale.

The introduction of either of these methods for appointing members of the Council would mean a distinct improvement on the present system, under which certain nations figure "for ever and ever" as permanent members of the Council. It would considerably strengthen the position of the League, since it would allay the feelings of the rank and file and terminate the present struggle for permanent representation on the part of minor nations.

Since the meeting of the League of Nations in

March two events of great international significance have taken place—the conclusion of a Treaty between Germany and Soviet Russia, and the meeting at Geneva of the Preparatory Disarmament Committee. Both these events have caused considerable alarm, the former being interpreted as an indication that Germany, after her experiences at Geneva, has again been drawn into the sphere of influence of the Soviet Government, while the failure of the Disarmament Committee to arrive at an agreement has been regarded by many as a proof of Mr. Houghton's statement that the nations of Europe do not genuinely wish to disarm.

To my mind this gloomy view of the situation is hardly justified, and for the following reasons.

The German-Soviet Treaty carefully avoids all provisions which would prejudice the position of Germany or prevent the fulfilment of her obligations as a member of the League of Nations. On the other hand, it will not be denied that the Treaty of April 24, which is an extension of the Treaty of Rapallo covering the situation resulting from the Locarno Pact and Germany's prospective entry into the League, might in certain circumstances develop into a potential alliance. However, it is our firm conviction that, after Germany's election to the League, this situation will never arise.

As regards the disarmament question, we must not ask or expect too much at once. Disarmament must be a gradual process. Any other course would

be extremely unwise as long as the conditions in Eastern Europe remain unsettled. It is true that France must show her good-will through reducing her armaments in accordance with the Versailles Treaty, but it would be unreasonable to call upon her to do so before the security problem is definitely settled through the ratification of the Locarno Pact. We have no doubt that the French people, and especially the taxpayers, will gladly welcome a considerable reduction of armaments and the abolition of compulsory military service when the conditions in Europe and the security of the French nation permit such reforms.

At any rate, there is one thing of which we can be certain—that views similar to those displayed in the American Ambassador's report will render more difficult rather than facilitate the solution of the disarmament question. What we need in the present circumstances are confidence and constructive statesmanship. Destructive criticism and despair will do more harm than good.

In this and the three preceding chapters we have surveyed some of the most important issues of international policy with which the statesmen of Europe are faced to-day,—issues which have to be tackled before stabilization and a secure foundation for the peace of Europe can be attained. The conclusion of the Locarno Pact marks an important step in the right direction. But it is a great mistake to consider the Pact as an end in itself; it is merely a

means to an end. We are firmly convinced that unless the peoples of Europe definitely abandon the nationalist ideals inherited from earlier civilizations and approach their task in a spirit of mutual understanding, willing to sacrifice if necessary their own interests to those of the common cause, the problem of security will still remain unsolved.

First of all the present feeling of hatred and distrust among the nations, whether due to national jealousy, a spirit of revenge, competitive armaments, or other causes, must be removed. Even though we recognize that no revision of the present territorial divisions of Europe through recourse to military measures should be tolerated, we must decline to support any idea of turning the League of Nations into a permanent upholder and military guarantor of the Treaty of Versailles and its sister treaties. Such a policy would imply a wrong principle because the League of Nations would then stand in the way of even a justifiable revision of these treaties at some future time. There is always the possibility that public opinion in Europe may turn so strongly in favour of the modification of the provisions contained in one or several of these treaties that the only way for the League to prevent a catastrophe will be to support such a modification. For this reason it must not be tied to the Peace Treaties.

Attention has been drawn to the danger of automatically spreading wars while attempting to pre-

vent them by an over-ambitious policy on the part of the League of Nations. This is all the more dangerous as strong Powers still remain outside the League. On the other hand, it is clear that the present balance of power in Europe, maintained by military force, cannot in the long run save our continent from war, and that the League of Nations has a great mission to fulfil in removing the tension between the nations and substituting a system based on international law and joint international action for the present unstable equilibrium.

Germany's inclusion in the League of Nations sometimes has been objected to on the ground that she might use her position as a Member, permanently represented on the Council, to raise all sorts of inflammable questions which might cause serious dissension and possibly divide the League in two hostile camps. Thus it is feared that Germany will raise the question of war-guilt and thereby try to explode the whole Treaty of Versailles, that she will press for a modification of her eastern frontiers, for the return of her former colonies,—or at least some of them,—for hastening the evacuation of the Rhineland, for the reduction of reparations, and for union with Austria.

No doubt Germany will seize the opportunity to raise some of these questions, but we need entertain no exaggerated fears on this ground, since there is every reason to believe that the Council of the League of Nations will be capable of dealing

with these matters in a statesmanlike and amicable spirit. Moreover, Germany has by now realized that she will serve her own cause better by subordinating her interests to those of Europe as a whole than by acts and demonstrations which might involve a menace to the security of other nations.

There are four stages in the reconstruction policy: reparation, arbitration, security and disarmament. The question of reparation has been settled and we are on the way to a settlement of the arbitration and security problems. But not until these matters have been solved can we cope effectively with the last problem, that of disarmament. The Russian menace to European security is perhaps the chief obstacle to a settlement of this question.

It is of the utmost importance that the Russian threat to the security of Europe and Asia should be removed at an early date. As we have seen, the Russian Government have made no secret of their intention to work for the creation of a Euro-Asiatic combine directed against the Anglo-Saxon races, against the British Empire and the United States, which are represented as the strongholds of capitalism and the enemies of the oppressed peoples of Europe and Asia. This policy, fantastic as it sounds, has already caused great harm to British and American trade in Asia, and given nourishment to the anti-British and anti-American tendencies in Europe.

Very likely Russia is at the present time passing

through a transitional period and will before long develop into a more normal state. This circumstance would add to rather than lessen the weight of our arguments since she would then be far more dangerous than she is in her present chaotic state.

If Russia persists in her present aggressive attitude, if she does not stop interfering with the conditions of other nations and does not recognize her international liabilities she must be dealt with accordingly. A nation of barbarian instincts and methods is a constant danger to the peace of Europe and cannot be tolerated.

Finland has a legitimate claim to the Kola Peninsula and Karelia, which are territories inhabited by a Finnish population and of the greatest importance from the point of view of security against the Russian aggression. Poland has a similar claim to her old provinces conquered and still held by Russia. The whole of Caucasia, south of the River Manytch, is suffering hard under the Russian yoke and is longing to become a free country. The Ukraine, which proclaimed her independence in 1918, is only held by force. Finally, Russian rule in Turkestan, which was conquered during the last century, constitutes a severe threat to Persia, Afghanistan and India.

These are all matters which will have to be placed before the League of Nations if the aggressive policy of Russia is not stopped. We must insist upon the complete cessation of her destructive

activities, whether they are directed against European possessions in Asia or against the present industrial system of Europe. Moreover, in the event of general disarmament being decided upon by the League of Nations, Russia will have to reduce her forces strictly in accordance with the recommendations of the League. Finally, she can no longer be allowed to retain the property she has seized from other nations.

These are the only conditions on which Russia can be allowed to join the League of Nations. If she does not accept these conditions and remains outside the League she will have to take the consequences.

The fact that after seven years of chaos Europe had finally found a formula for solving the security problem did not fail to impress public opinion in America, and especially in the United States. Not only did the result of the Locarno Conference affect the American money-market in Europe's favour, but it also greatly encouraged the movement towards closer association with the League of Nations. However, the breakdown at Geneva and Mr. Houghton's subsequent report on the European situation have not only cooled down the beginning enthusiasm in America for co-operation with Europe but also considerably estranged the two continents. This is greatly to be regretted, and we sincerely hope that the outcome of the September meeting at Geneva will be such as to enable Amer-

ica to co-operate more closely with the League of Nations in political as well as economic matters to the benefit of western civilization and humanity as a whole.*

Against the advocates of American co-operation with the League has been contended that it is by no means certain that American representation on the League would be altogether desirable, since the American representatives might try to adopt American methods for dealing with European conditions. Moreover, it has been feared that they would hamper the activity of the League because their engagements and decisions are worth nothing unless endorsed by both the President and the Senate whose views on matters of foreign policy have sometimes proved difficult and even impossible to reconcile.

This is a very short-sighted view of the situation. Europe needs America's assistance for fighting the dangers threatening the peace of the world. Further, if the United States hold aloof too long from the affairs of Europe they might one day be faced with the disagreeable surprise of an economic and political combine directed against them. We have drawn attention to the aims of the Pan-European movement. It is not yet strong enough to present a real danger but it would be unwise to ignore the tendency of this movement. In its consequences it would be directed

* Since this was written Brazil has resigned her membership of the League. No efforts should be spared to make Brazil reconsider her decision.

not only against the British Empire but also against America and all non-European Powers. It is essential for the stability of the world that the British Empire and the United States should co-operate against any tendencies of forming a European coalition, whether under Russian or German leadership.

It is a mistake to think that since the Versailles Conference the United States have kept aloof altogether from European politics. At more than one critical moment the voice of the American Government and the decision of Wall Street have exercised a conclusive influence on events in Europe. Moreover, we must not forget that the United States contributed indirectly to the success of the Locarno Conference through the important part they played in the Dawes settlement, without which agreement at Locarno would never have been possible. It is to be hoped that the Government of the United States will see their way to extend their co-operation with Europe and the League of Nations beyond the field of finance to all important issues of international politics.

The creation of a European confederation or of a Euro-Asiatic coalition directed against other nations and continents would imperil the security of the world. There is no better way to prevent such developments than for the Anglo-Saxon Empires to give their whole-hearted support to the League of Nations, the embryo of the ideal State of the future comprising all the nations and races of the world.

CHAPTER XII

MATERIALISM VERSUS CHRISTIANITY

"Professing themselves to be wise, they became fools."

St. Paul

Western civilization has recently passed through its hitherto greatest trial. Europe eventually pulled through, but only at the cost of millions of lives, grave industrial and financial troubles, a series of ugly revolutions followed by famine and ravaging epidemics, and a marked decline in the general standard of morals.

The growing disrespect and even teaching of contempt for the Christian religion, the emancipation of children and their disregard of parents and family, the mistaking of insolence for good manners, the loosening of family-bonds, the increasing sensuality fostered by cheap newspapers and cinemas, the drug-traffic, the idolization and worshipping of more-or-less vulgar screen-actors and boxing-champions, and the general tendency towards idleness, are all signs of increasing depravity. These evils, no doubt, are partly due to the mental relaxation following upon the intense strain and nerve-racking experiences during the War; but they are primarily the outcome of the restless and fe-

verish activity in the over-populated and over-strained modern communities. Among all classes of society this has caused an unnatural craving for enjoyment, the nervous mind of the twentieth-century man seeking and inventing the most perverse and weird forms thereof. Even murder for pleasure is not an unheard-of thing.

The wild pursuit of pleasure has set its mark not only on our social and domestic life, but also on the whole political life of modern communities.

Materialism, class-hatred, false democracy, Socialism and Communism have developed hand-in-hand with the general vices of our generation, and, like them, are rooted in its unnatural craving for enjoyment. It is essential to bear this in mind when considering the moral value of these movements.

In every community there are always groups of citizens who are dissatisfied with their conditions, and it is an easy game to play on dissension and discontent. For thousands of years unequal distribution of wealth has been a cause of envy, and during all this time political adventurers of each period have made their fortunes by devising Utopian schemes for remedying this supposed evil. But during no previous period have they met with greater response, nor have their teachings been accepted more generally, than at the present time.

However, there are indications that the power of Socialism has reached its climax and is now grad-

ually declining as a result of the unfortunate experience of State-management during the War, the disaster of the Russian Revolution, and other failures in the application of Socialist principles. The terrible example of Russia, where millions of innocent people were killed or mutilated in order to prepare the way for a new social order, where political freedom is curtailed even more than under the Czarist rule, where the working-classes have been enslaved and compelled under the threat of severe punishment to work hard for wages far below the level of subsistence, and where, finally, those very methods (for the destruction of which innumerable atrocities were committed) have had to be restored—this example has not failed to impress the minds of even the most ardent advocates of public ownership and to keep them back from precipitate action. In fact many Socialists are looking round for some means of honourable retreat, and not a few of them have already decided to use the Co-operative Movement as a convenient escape from Utopian Socialism. But we must not forget that Socialism still constitutes a grave danger to the community and our civilization and it is the duty of all who realize this to make known their opinions.

The public must be educated up to the point of realizing that materialism, pure and simple, as preached by Marx, Lassalle, and Lenin, can form the basis of no beneficial community, but is bound to ruin morality and, in the long run, the whole of

our civilization. During the last fifty years materialist ideas have exercised a tremendous influence on popular thought. That they gained ground so rapidly was due largely to the fact that respect for and faith in the Christian religion was beginning to slacken as a result of the enormous development of modern science, which led to arrogance and disrespect for everything that was beyond the reach of the human intellect.

Never since the time of Nero's persecutions has Christianity had a more important and difficult task to fulfil than just now. It amounts to nothing less than saving humanity from the big onslaught of materialism and atheism which are spreading to an alarming degree among all nations and all social classes. Anglicans, Lutherans, Presbyterians, and Roman Catholics should all unite in their efforts to make the masses understand that pleasure and material welfare are neither the object of human life, nor enough for happiness. It is vain, however, to try and persuade men on this point without having first brought home to them the conviction that death is not the end of our existence but the beginning of a new life, and that Spirit survives Matter.

In fact everything turns on this point. Assurance in this regard makes life infinitely more easy to live than if we thought we should all be turned into dust and our efforts with us. It also explains all apparent injustice in our present life. On the

other hand, doubts as to the existence of another life are bound to lead to misery and to a wild pursuit of pleasure. And mankind is not convinced. Many are those who argue that, since life is so short and nothing comes after, we must enjoy it to the utmost. This, we fear, is the chief cause of our troubles to-day.

The Church, no doubt, is partly responsible. How is it possible for a priest to strengthen the faith of men if he has none himself? The Church will never succeed in fulfilling her great mission unless she become penetrated with strong faith. The present rationalist tendencies among the clergy, if allowed to spread, would be fatal to Christianity. So-called intelligent faith is a poison which threatens to destroy what remains in the Church of real faith. It is vital to humanity that this should be prevented.

It is interesting to see how often the simple mind and sound instinct of the unlearned man surpass the brilliant brain of the learned scientist. Whereas the former relies entirely on faith and his natural instinct, the latter is carried away by his thoughts and theories to conclusions which are imperfect because limited by his faculties.

The evolutionary theories of last century's great anthropologists have been used by many to cast doubt upon the faith of the Christian religion. Yet the remarkable thing has happened that the latest research in science gives evidence in the opposite

direction. After the wonderful discoveries in the fields of electricity and magnetism, and of hitherto unknown forces in Matter and Ether, there are few scientists to-day who would deny the existence of the soul and its survival after the body. The distasteful, and from many points of view injurious, theory that man is merely an animal developed gradually out of his ape-ancestors is being abandoned. The latest theory of evolution is emphatic on the point that man and the ape have developed along entirely different lines, a circumstance due to the fact that the original cell of man contained the nucleus of a soul, of which the animal-cell was devoid. It is the duty of our generation to see that the present onslaught of materialism upon Christianity is beaten back on all its fronts.

Socialism, in the disguise of idealism, has joined hands with materialism to fight Christianity. Many of its leaders are political adventurers, but there are also those among them who are honest idealists and believe that they are fighting for a good case. They have not yet discovered the trap; they do not realize how skilfully they are employed by those very forces which prepare humanity for destruction.

Just as class-war is the result of materialism, wars between nations are often the direct outcome of materialistic strife. The predominance of Christian civilization in the world is doomed unless the nations of Europe unite in their efforts to abol-

ish not only social wars but also wars between themselves.

The great Asiatic races, whose civilization flourished at a time when Europe was populated merely with wandering tribes, are raising their heads in expectation. They realize that the Great War has seriously weakened the European nations, they see that Christianity is rocking under the heavy onslaught of materialism, and as a result they conclude that the decline of Western civilization has set in and that a revival of Eastern civilization is imminent.

But the masters are still needed to protect the world, and the Eastern races against themselves—against those forces within them which, once let loose, might be impossible to control.

There are those who believe that we have now reached the end of the Christian era and are entering upon a new age governed entirely by Reason. There are also those who think that the Great War marked the closing stages of the Christian age. Again, there are those who take the development in our days of great and powerful associations of trade-unions and employers, and the growth of large trusts and other capitalist combines exercising a great influence on most modern governments, as an indication that the old system of politics, based on morals, will gradually cease and give place to a purely economic organization, based on materialism, under which the ethical values of the individual

will be sacrificed for new economic and material advantages to the community as a whole.

But the materialist preachers conceal the facts that happiness and material welfare, far from being synonymous conceptions, very often are the reverse, and that every association of individuals, however strong, can always be held in check so long as it is opposed by public opinion. Any attempt to suppress individual liberty and sink the individual in the mass is bound to meet with strong opposition and to lead to reaction. In fact, signs of reaction against the pressure of industrial organizations are not lacking. Public opinion has more and more been on the alert with regard to industrial disturbances, and for this reason the arbitrariness of the industrial associations is far more limited now than it was at the beginning of the century. The more public opinion is educated on this point, the more difficult will it be for industrial and economic organizations to override the will of the people as represented in Parliament.

It is true that the progress of civilization and, to some extent, the Great War have released forces which are working deliberately for the destruction of the present social order. But on the other hand, we must not forget that both the War and the great discoveries, especially in the fields of physics and chemistry, have opened the eyes of many to the fact that there must be powers on this earth and in the worlds beyond of which we know nothing

and which might explain much that is now above the reach of the human intellect; they have also demonstrated the fearful danger of plunging into the darkness of materialistic heathenism. The nature of man has undergone little change during the last two thousand years. What has changed, however, is the knowledge of man. To-day he is in possession of powers which, used for evil purposes, might lead the world into horrors far worse than those from which we have just escaped. The War gave only a foretaste of what might come if humanity were to place its powers at the service of evil.

Whether in our time humanity will develop for better or for worse is, in the present chaotic state of things, hardly possible to foresee. It does not depend upon our surroundings, as many seem to think, nor upon the economic and industrial conditions under which we live; it depends entirely upon ourselves—on the direction in which human thought is setting, *i.e.*, along what course the thinkers of the century can lead the mighty currents of public opinion.

Above and beyond all we must remember this, that civilization without Christianity would be fatal to the human race, since it would release the powers of evil armed with all the knowledge of our age.

APPENDIX I

THE COVENANT OF THE LEAGUE OF NATIONS

The High Contracting Parties, in order to promote international co-operation and to achieve international peace and security by the acceptance of obligations not to resort to war, by the prescription of open, just and honourable relations between nations, by the firm establishment of the understandings of international law as the actual rule of conduct among Governments, and by the maintenance of justice and a scrupulous respect for all treaty obligations in the dealings of organised peoples with one another, agree to this Covenant of the League of Nations.

ARTICLE I

The original Members of the League shall be those of the Signatories which are named in the Annex to this Covenant and also such of those other States named in the Annex as shall accede without reservation to this Covenant. Such accession shall be effected by a Declaration deposited with the Secretariat within two months of the coming into force of the Covenant. Notice thereof shall be sent to all other Members of the League.

Any fully self-governing State, Dominion or Colony not named in the Annex, may become a Member of the League if its admission is agreed to by two-thirds of the Assembly, provided that it shall give effective guarantees of its sincere intention to observe its international obligations, and shall ac-

cept such regulations as may be prescribed by the League in regard to its military, naval and air forces and armaments.

Any Member of the League may, after two years' notice of its intention so to do, withdraw from the League, provided that all its international obligations and all its obligations under this Covenant shall have been fulfilled at the time of its withdrawal.

ARTICLE II

The action of the League under this Covenant shall be effected through the instrumentality of an Assembly and of a Council, with a permanent Secretariat.

ARTICLE III

The Assembly shall consist of Representatives of the Members of the League.

The Assembly shall meet at stated intervals and from time to time as occasion may require, at the Seat of the League or at such other place as may be decided upon.

The Assembly may deal at its meetings with any matter within the sphere of action of the League or affecting the peace of the world.

At meetings of the Assembly each Member of the League shall have one vote, and may have not more than three Representatives.

ARTICLE IV

The Council shall consist of Representatives of the Principal Allied and Associated Powers, together with Representatives of four other Members of the League. These four Members of the

League shall be selected by the Assembly from time to time in its discretion. Until the appointment of the Representatives of the four Members of the League first selected by the Assembly, Representatives of Belgium, Brazil, Greece, and Spain shall be members of the Council.

With the approval of the majority of the Assembly, the Council may name additional Members of the League whose Representatives shall always be members of the Council; the Council with like approval may increase the number of Members of the League to be selected by the Assembly for representation on the Council.

The Council shall meet from time to time as occasion may require, and at least once a year, at the Seat of the League, or at such other place as may be decided upon.

The Council may deal at its meetings with any matter within the sphere of action of the League or affecting the peace of the world.

Any Member of the League not represented on the Council shall be invited to send a Representative to sit as a member at any meeting of the Council during the consideration of matters specially affecting the interests of that Member of the League.

At meetings of the Council each Member of the League represented on the Council shall have one vote, and may have not more than one Representative.

ARTICLE V

Except where otherwise expressly provided in this Covenant or by the terms of the present Treaty, decisions at any meeting of the Assembly or of the Council shall require the agreement of all the Members of the League represented at the meeting.

All matters of procedure at meetings of the Assembly or of the Council, including the appointment of committees to investigate particular matters, shall be regulated by the Assembly or by the Council, and may be decided by a majority of the Members of the League represented at the meeting.

The first meeting of the Assembly and the first meeting of the Council shall be summoned by the President of the United States of America.

ARTICLE VI

The permanent Secretariat shall be established at the Seat of the League. The Secretariat shall comprise a Secretary-General and such secretaries and staff as may be required.

The first Secretary-General shall be the person named in the Annex; thereafter the Secretary-General shall be appointed by the Council with the approval of the majority of the Assembly.

The secretaries and staff of the Secretariat shall be appointed by the Secretary-General with the approval of the Council.

The Secretary-General shall act in that capacity at all meetings of the Assembly and of the Council.

The expenses of the Secretariat shall be borne by the Members of the League in accordance with the apportionment of the expenses of the International Bureau of the Universal Postal Union.

ARTICLE VII

The Seat of the League is established at Geneva.

The Council may at any time decide that the Seat of the League shall be established elsewhere.

All positions under or in connection with the

League, including the Secretariat, shall be open equally to men and women.

Representatives of the Members of the League and officials of the League when engaged on the business of the League shall enjoy diplomatic privileges and immunities.

The buildings and other property occupied by the League or its officials or by Representatives attending its meetings shall be inviolable.

ARTICLE VIII

The Members of the League recognise that the maintenance of peace requires the reduction of national armaments to the lowest point consistent with the national safety and the enforcement by common action of international obligations.

The Council, taking account of the geographical situation and circumstances of each State, shall formulate plans for such reduction for the consideration and action of the several Governments.

Such plans shall be subject to reconsideration and revision at least every ten years.

After these plans shall have been adopted by the several Governments, the limits of armaments therein fixed shall not be exceeded without the concurrence of the Council.

The Members of the League agree that the manufacture by private enterprise of munitions and implements of war is open to grave objections. The Council shall advise how the evil effects attendant upon such manufacture can be prevented, due regard being had to the necessities of those Members of the League which are not able to manufacture the munitions and implements of war necessary for their safety.

The Members of the League undertake to interchange full and frank information as to the scale

of their armaments, their military, naval and air programmes and the condition of such of their industries as are adaptable to war-like purposes.

ARTICLE IX

A permanent Commission shall be constituted to advise the Council on the execution of the provisions of Articles I and VIII, and on military, naval and air questions generally.

ARTICLE X

The Members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all Members of the League. In case of any such aggression or in case of any threat or danger of such aggression the Council shall advise upon the means by which this obligation shall be fulfilled.

ARTICLE XI

Any war or threat of war, whether immediately affecting any of the Members of the League or not, is hereby declared a matter of concern to the whole League, and the League shall take any action that may be deemed wise and effectual to safeguard the peace of nations. In case any such emergency should arise the Secretary-General shall on the request of any Member of the League forthwith summon a meeting of the Council.

It is also declared to be the friendly right of each Member of the League to bring to the attention of the Assembly or of the Council any circumstance whatever affecting international relations which threaten to disturb international peace or the good

understanding between nations upon which peace depends.

ARTICLE XII

The Members of the League agree that if there should arise between them any dispute likely to lead to a rupture, they will submit the matter either to arbitration or to inquiry by the Council, and they agree in no case to resort to war until three months after the award by the arbitrators or the report by the Council.

In any case under this Article the award of the arbitrators shall be made within a reasonable time, and the report of the Council shall be made within six months after the submission of the dispute.

ARTICLE XIII

The Members of the League agree that whenever any dispute shall arise between them which they recognise to be suitable for submission to arbitration and which cannot be satisfactorily settled by diplomacy, they will submit the whole subject-matter to arbitration.

Disputes as to the interpretation of a treaty, as to any question of international law, as to the existence of any fact which if established would constitute a breach of any international obligation, or as to the extent and nature of the reparation to be made for any such breach, are declared to be among those which are generally suitable for submission to arbitration.

For the consideration of any such dispute the court of arbitration to which the case is referred shall be the court agreed on by the parties to the dispute or stipulated in any convention existing between them.

The Members of the League agree that they will carry out in full good faith any award that may be rendered and that they will not resort to war against a Member of the League which complies therewith. In the event of any failure to carry out such an award, the Council shall propose what steps should be taken to give effect thereto.

ARTICLE XIV

The Council shall formulate and submit to the Members of the League for adoption plans for the establishment of a Permanent Court of International Justice. The Court shall be competent to hear and determine any dispute of an international character which the parties thereto submit to it. The Court may also give an advisory opinion upon any dispute or question referred to it by the Council or by the Assembly.

ARTICLE XV

If there should arise between Members of the League any dispute likely to lead to a rupture, which is not submitted to arbitration as above, the Members of the League agree that they will submit the matter to the Council. Any party to the dispute may effect such submission by giving notice of the existence of the dispute to the Secretary-General who will make all necessary arrangements for a full investigation and consideration thereof.

For this purpose the parties to the dispute will communicate to the Secretary-General, as promptly as possible, statements of their case with all the relevant facts and papers, and the Council may forthwith direct the publication thereof.

The Council shall endeavour to effect a settlement of the dispute, and if such efforts are success-

ful, a statement shall be made public giving such facts and explanations regarding the dispute and the terms of settlement thereof as the Council may deem appropriate.

If the dispute is not thus settled, the Council, either unanimously or by a majority vote, shall make and publish a report containing a statement of the facts of the dispute and the recommendations which are deemed just and proper in regard thereto.

Any Member of the League represented on the Council may make public a statement of the facts of the dispute and of its conclusions regarding the same.

If a report by the Council is unanimously agreed to by the members thereof other than the Representatives of one or more of the parties to the dispute, the Members of the League agree that they will not go to war with any party to the dispute which complies with the recommendations of the report.

If the Council fails to reach a report which is unanimously agreed to by the members thereof, other than the Representatives of one or more of the parties to the dispute, the Members of the League reserve to themselves the right to take such action as they shall consider necessary for the maintenance of right and justice.

If the dispute between the parties is claimed by one of them, and is found by the Council to arise out of a matter which by international law is solely within the domestic jurisdiction of that party, the Council shall so report, and shall make no recommendation as to its settlement.

The Council may in any case under this Article refer the dispute to the Assembly. The dispute shall be so referred at the request of either party to the dispute, provided that such request be made

within fourteen days after the submission of the dispute to the Council.

In any case referred to the Assembly, all the provisions of this Article and of Article XII relating to the action and powers of the Council shall apply to the action and powers of the Assembly, provided that a report made by the Assembly, if concurred in by the Representatives of those Members of the League represented on the Council and of a majority of the other Members of the League, exclusive in each case of the Representatives of the parties to the dispute, shall have the same force as a report by the Council concurred in by all the members thereof other than the Representatives of one or more of the parties to the dispute.

ARTICLE XVI

Should any Member of the League resort to war in disregard of its covenants under Articles XII, XIII, or XV, it shall *ipso facto* be deemed to have committed an act of war against all other Members of the League, which hereby undertake immediately to subject it to the severance of all trade or financial relations, the prohibition of all intercourse between their nationals and the nationals of the covenant-breaking State, and the prevention of all financial, commercial, or personal intercourse between the nationals of the covenant-breaking State and the nationals of any other State, whether a Member of the League or not.

It shall be the duty of the Council in such case to recommend to the several Governments concerned what effective military, naval or air force the Members of the League shall severally contribute to the armed forces to be used to protect the covenants of the League.

The Members of the League agree, further, that

they will mutually support one another in the financial and economic measures which are taken under this article, in order to minimise the loss and inconvenience resulting from the above measures, and that they will mutually support one another in resisting any special measures aimed at one of their number by the covenant-breaking State, and that they will take the necessary steps to afford passage through their territory to the forces of any of the Members of the League which are co-operating to protect the covenants of the League.

Any member of the League which has violated any covenant of the League may be declared to be no longer a Member of the League by a vote of the Council concurred in by the Representatives of all the other Members of the League represented thereon.

ARTICLE XVII

In the event of a dispute between a Member of the League and a State which is not a Member of the League, or between States not Members of the League, the State or States not Members of the League shall be invited to accept the obligations of membership in the League for the purposes of such dispute, upon such conditions as the Council may deem just. If such invitation is accepted, the provisions of Articles XII to XVI inclusive shall be applied with such modifications as may be deemed necessary by the Council.

Upon such invitation being given the Council shall immediately institute an inquiry into the circumstances of the dispute and recommend such action as may seem best and most effectual in the circumstances.

If a State so invited shall refuse to accept the obligations of membership in the League for the

purposes of such dispute, and shall resort to war against a Member of the League, the provisions of Article XVI shall be applicable as against the State taking such action.

If both parties to the dispute when so invited refuse to accept the obligations of membership in the League for the purposes of such dispute, the Council may take such measures and make such recommendations as will prevent hostilities and will result in the settlement of the dispute.

ARTICLE XVIII

Every treaty or international engagement entered into hereafter by any Member of the League shall be forthwith registered with the Secretariat and shall as soon as possible be published by it. No such treaty or international engagement shall be binding until so registered.

ARTICLE XIX

The Assembly may from time to time advise the reconsideration by Members of the League of treaties which have become inapplicable and the consideration of international conditions whose continuance might endanger the peace of the world.

ARTICLE XX

The Members of the League severally agree that this Covenant is accepted as abrogating all obligations or understandings *inter se* which are inconsistent with the terms thereof, and solemnly undertake that they will not hereafter enter into any engagements inconsistent with the terms thereof.

In case any Member of the League shall, before

becoming a Member of the League, have undertaken any obligations inconsistent with the terms of this Covenant, it shall be the duty of such Member to take immediate steps to procure its release from such obligations.

ARTICLE XXI

Nothing in this Covenant shall be deemed to affect the validity of international engagements such as treaties of arbitration or regional understandings like the Monroe Doctrine for securing the maintenance of peace.

ARTICLE XXII

To those colonies and territories which as a consequence of the late war have ceased to be under the sovereignty of the States which formerly governed them and which are inhabited by peoples not yet able to stand by themselves under the strenuous conditions of the modern world, there should be applied the principle that the well-being and development of such peoples form a sacred trust of civilisation and that securities for the performance of this trust should be embodied in this Covenant.

The best method of giving practical effect to this principle is that the tutelage of such peoples should be entrusted to advanced nations who by reason of their resources, their experience or their geographical position, can best undertake this responsibility, and who are willing to accept it, and that this tutelage should be exercised by them as Mandatories on behalf of the League.

The character of the Mandate must differ according to the stage of the development of the people, the geographical situation of the territory,

its economic conditions and other similar circumstances.

Certain communities formerly belonging to the Turkish Empire have reached a stage of development where their existence as independent nations can be provisionally recognised subject to the rendering of administrative advice and assistance by a Mandatory until such time as they are able to stand alone. The wishes of these communities must be a principal consideration in the selection of the Mandatory.

Other peoples, especially those of Central Africa, are at such a stage that the Mandatory must be responsible for the administration of the territory under conditions which will guarantee freedom of conscience or religion, subject only to the maintenance of public order and morals, the prohibition of abuses such as the slave trade, the arms traffic and the liquor traffic, and the prevention of the establishment of fortifications or military and naval bases and of military training of the natives for other than police purposes and the defence of territory, and will also secure equal opportunities for the trade and commerce of other Members of the League.

There are territories, such as South-West Africa and certain of the South Pacific Islands, which, owing to the sparseness of their population, or their small size, or their remoteness from the centres of civilisation, or their geographical contiguity to the territory of the Mandatory, and other circumstances, can be best administered under the laws of the Mandatory as integral portions of its territory, subject to the safeguards above mentioned in the interests of the indigenous population.

In every case of mandate, the Mandatory shall render to the Council an annual report in reference to the territory committed to its charge.

The degree of authority, control, or administration to be exercised by the Mandatory shall, if not previously agreed upon by the Members of the League, be explicitly defined in each case by the Council.

A permanent Commission shall be constituted to receive and examine the annual reports of the Mandatories and to advise the Council on all matters relating to the observance of the mandates.

ARTICLE XXIII

Subject to and in accordance with the provisions of international conventions existing or hereafter to be agreed upon, the Members of the League—

- (a) will endeavour to secure and maintain fair and humane conditions of labour for men, women, and children, both in their own countries and in all countries to which their commercial and industrial relations extend, and for that purpose will establish and maintain the necessary international organisations;
- (b) undertake to secure just treatment of the native inhabitants of territories under their control;
- (c) will entrust the League with the general supervision over the extension of agreements with regard to the traffic in women and children, and the traffic in opium and other dangerous drugs:
- (d) will entrust the League with the general supervision of the trade in arms and ammunition with the countries in which the control in this traffic is necessary in the common interest;
- (e) will make provision to secure and maintain freedom of communications and

of transit and equitable treatment for the commerce of all Members of the League. In this connection, the special necessities of the regions devastated during the war of 1914-1918 shall be borne in mind;

- (f) will endeavour to take steps in matters of international concern for the prevention and control of disease.

ARTICLE XXIV

There shall be placed under the direction of the League all international bureaux already established by general treaties if the parties to such treaties consent. All such international bureaux and all commissions for the regulation of matters of international interest hereafter constituted shall be placed under the direction of the League.

In all matters of international interest which are regulated by general conventions but which are not placed under the control of international bureaux or commissions, the Secretariat of the League shall, subject to the consent of the Council and if desired by the parties, collect and distribute all relevant information and shall render any other assistance which may be necessary or desirable.

The Council may include as part of the expenses of the Secretariat the expenses of any bureau or commission which is placed under the direction of the League.

ARTICLE XXV

The Members of the League agree to encourage and promote the establishment and co-operation of duly authorised voluntary national Red Cross organisations having as purposes the improvement

of health, the prevention of disease and the mitigation of suffering throughout the world.

ARTICLE XXVI

Amendments to this Covenant will take effect when ratified by the Members of the League whose Representatives compose the Council and by a majority of the Members of the League whose Representatives compose the Assembly.

No such amendment shall bind any Member of the League which signifies its dissent therefrom, but in that case it shall cease to be a Member of the League.

APPENDIX II

DRAFT TREATY OF MUTUAL ASSISTANCE

PREAMBLE

The High Contracting Parties, being desirous of establishing the general lines of a scheme of mutual assistance with a view to facilitate the application of Articles 10 and 16 of the Covenant of the League of Nations, and of a reduction or limitation of national armaments in accordance with Article 8 of the Covenant "to the lowest point consistent with national safety and the enforcement by common action of international obligations," agree to the following provisions:—

ARTICLE I

The High Contracting Parties solemnly declare that aggressive war is an international crime and severally undertake that no one of them will be guilty of its commission.

A war shall not be considered as a war of aggression if waged by a State which is party to a dispute and has accepted the unanimous recommendation of the Council, the verdict of the Permanent Court of International Justice, or an arbitral award against a High Contracting Party which has not accepted it, provided, however, that the first State does not intend to violate the political independence or the territorial integrity of the High Contracting Party.

ARTICLE 2

The High Contracting Parties, jointly and severally, undertake to furnish assistance, in accordance with the provisions of the present treaty, to any one of their number should the latter be the object of a war of aggression, provided that it has conformed to the provisions of the present treaty regarding the reduction or limitation of armaments.

ARTICLE 3

In the event of one of the High Contracting Parties being of opinion that the armaments of any other High Contracting Party are in excess of the limits fixed for the latter High Contracting Party under the provisions of the present treaty, or in the event of it having cause to apprehend an outbreak of hostilities, either on account of the aggressive policy or preparations of any State party or not to the present treaty, it may inform the Secretary-General of the League of Nations that it is threatened with aggression, and the Secretary-General shall forthwith summon the Council.

The Council, if it is of opinion that there is reasonable ground for thinking that a menace of aggression has arisen, may take all necessary measures to remove such menace, and in particular, if the Council thinks right, those indicated in subparagraphs (a), (b), (c), (d) and (e) of the second paragraph of Article 5 of the present treaty.

The High Contracting Parties which have been denounced and those which have stated themselves to be the object of a threat of aggression shall be considered as especially interested and shall therefore be invited to send representatives to the Council in conformity with Articles 4, 15 and 17 of

the Covenant. The vote of their representatives shall, however, not be reckoned when calculating unanimity.

ARTICLE 4

In the event of one or more of the High Contracting Parties becoming engaged in hostilities, the Council of the League of Nations shall decide, within four days of notification being addressed to the Secretary-General, which of the High Contracting Parties are the objects of aggression and whether they are entitled to claim the assistance provided under the treaty.

The High Contracting Parties undertake that they will accept such a decision by the Council of the League of Nations.

The High Contracting Parties engaged in hostilities shall be regarded as especially interested, and shall therefore be invited to send representatives to the Council (within the terms of Articles 4, 13 and 17 of the Covenant), the vote of their representative not being reckoned when calculating unanimity; the same shall apply to States signatory to any partial agreements involved on behalf of either of the two belligerents, unless the remaining members of the Council shall decide otherwise.

ARTICLE 5

The High Contracting Parties undertake to furnish one another mutually with assistance in the case referred to in Article 2 of the treaty in the form determined by the Council of the League of Nations as the most effective, and to take all appropriate measures without delay in the order of urgency demanded by the circumstances.

In particular, the Council may—

- (a) Decide to apply immediately to the aggressor State the economic sanctions contemplated by Article 16 of the Covenant, the members of the League not signatory to the present treaty not being, however, bound by this decision, except in the case where the State attacked is entitled to avail itself of the articles of the Covenant.
- (b) Invoke by name the High Contracting Parties whose assistance it requires. No High Contracting Party situated in a continent other than that in which operations will take place shall, in principle, be required to co-operate in military, naval, or air operations.
- (c) Determine the forces which each State furnishing assistance shall place at its disposal.
- (d) Prescribe all necessary measures for securing priority for the communications and transport connected with the operations.
- (e) Prepare a plan for financial co-operation among the High Contracting Parties with a view to providing for the State attacked and for the States furnishing assistance the funds which they require for the operations.
- (f) Appoint the Higher Command and establish the object and the nature of his duty.

The representatives of States recognised as aggressors under the provisions of Article 4 of the treaty shall not take part in the deliberations of the Council specified in this article. The High Contracting Parties who are required by the Coun-

cil to furnish assistance, in accordance with subparagraph (*b*), shall, on the other hand, be considered as especially interested, and, as such, shall be invited to send representatives, unless they are already represented, to the deliberations specified in subparagraphs (*c*), (*d*), (*e*) and (*f*).

ARTICLE 6

For the purpose of rendering the general assistance mentioned in Articles 2, 3 and 5 immediately effective, the High Contracting Parties may conclude, either as between two of them or as between a larger number, agreements complementary to the present treaty exclusively for the purpose of their mutual defence and intended solely to facilitate the carrying out of the measures prescribed in this treaty, determining in advance the assistance which they would give to each other in the event of any act of aggression.

Such agreements may, if the High Contracting Parties interested so desire, be negotiated and concluded under the auspices of the League of Nations.

ARTICLE 7

Complementary agreements, as defined in Article 6 shall, before being registered, be examined by the Council with a view to deciding whether they are in accordance with the principles of the treaty and of the Covenant.

In particular, the Council shall consider if the cases of aggression contemplated in these agreements come within the scope of Article 2 and are of a nature to give rise to an obligation to give assistance on the part of the other High Contracting Parties. The Council may, if necessary, suggest changes in the texts of agreements submitted to it.

When recognised, the agreements shall be registered in conformity with Article 18 of the Covenant. They shall be regarded as complementary to the present treaty, and shall in no way limit the general obligations of the High Contracting Parties nor the sanctions contemplated against the aggressor State under the terms of this treaty.

They will be open to any other High Contracting Party with the consent of the signatory States.

ARTICLE 8

The States parties to complementary agreements may undertake in any such agreements to put into immediate execution, in the cases of aggression contemplated in them, the plan of assistance agreed upon. In this case they shall inform the Council of the League of Nations, without delay, concerning the measures which they have taken to ensure the execution of such agreements.

Subject to the terms of the previous paragraph, the provisions of Articles 4 and 5 above shall also come into force both in the cases contemplated in the complementary agreements and in such other cases as are provided for in Article 2 but are not covered by the agreements.

ARTICLE 9

In order to facilitate the application of the present treaty, any High Contracting Party may negotiate, through the agency of the Council, with one or more neighbouring countries for the establishment of demilitarised zones.

The Council, with the co-operation of the representatives of the parties interested, acting as members within the terms of Article 4 of the Covenant, shall previously ensure that the establishment of

the demilitarised zone asked for does not call for unilateral sacrifices from the military point of view on the part of the High Contracting Parties interested.

ARTICLE 10

The High Contracting Parties agree that the whole cost of any military, naval or air operations which are undertaken under the terms of the present treaty and of the supplementary partial agreements, including the reparation of all material damage caused by operations of war, shall be borne by the aggressor State up to the extreme limits of its financial capacity.

The amount payable under this Article by the aggressor shall, to such an extent as may be determined by the Council of the League, be a first charge on the whole of the assets and revenues of the State. Any repayment by that State in respect of the principal money and interest of any loan, internal or external, issued by it directly or indirectly during the war shall be suspended until the amount due for cost and reparations is discharged in full.

ARTICLE 11

The High Contracting Parties, in view of the security furnished them by this treaty and the limitations to which they have consented in other international treaties, undertake to inform the Council of the League of the reduction or limitation of armaments which they consider proportionate to the security furnished by the general treaty or by the defensive agreements complementary to the general treaty.

The High Contracting Parties undertake to co-

operate in the preparation of any general plan of reduction of armaments which the Council of the League of Nations, taking into account the information provided by the High Contracting Parties, may propose under the terms of Article 8 of the Covenant.

This plan should be submitted for consideration and approved by the Governments, and, when approved by them, will be the basis of the reduction contemplated in Article 2 of this treaty.

The High Contracting Parties undertake to carry out this reduction within a period of two years from the date of the adoption of this plan.

The High Contracting Parties undertake, in accordance with the provisions of Article 8, paragraph 4, of the Covenant, to make no further increase in their armaments, when thus reduced, without the consent of the Council.

ARTICLE 12

The High Contracting Parties undertake to furnish to the military or other delegates of the League such information with regard to their armaments as the Council may request.

ARTICLE 13

The High Contracting Parties agree that the armaments determined for each of them, in accordance with the present treaty, shall be subject to revision every five years, beginning from the date of the entry into force of this treaty.

ARTICLE 14

Nothing in the present treaty shall affect the rights and obligations resulting from the provisions

of the Covenant of the League of Nations or of the Treaties of Peace signed in 1919 and 1920 at Versailles, Neuilly, St. Germain and Trianon, or from the provisions of treaties or agreements registered with the League of Nations, and published by it at the date of the first coming into force of the present treaty as regards the signatory or beneficiary Powers of the said treaties or agreements.

ARTICLE 15

The High Contracting Parties recognise from to-day as *ipso facto* obligatory, the jurisdiction of the Permanent Court of International Justice with regard to the interpretation of the present treaty.

ARTICLE 16

The present treaty shall remain open for the signature of all States members of the League of Nations or mentioned in the Annex to the Covenant.

States not members shall be entitled to adhere with the consent of two-thirds of the High Contracting Parties with regard to whom the treaty has come into force.

ARTICLE 17

Any State may, with the consent of the Council of the League, notify its conditional or partial adherence to the provisions of this treaty, provided always that such State has reduced or is prepared to reduce its armaments in conformity with the provisions of this treaty.

ARTICLE 18

The present treaty shall be ratified, and the instruments of ratification shall be deposited as soon as possible at the Secretariat of the League of Nations:

It shall come into force:

In Europe when it shall have been ratified by five States, of which three shall be permanently represented on the Council;

In Asia when it shall have been ratified by two States, one of which shall be permanently represented on the Council;

In North America when ratified by the United States of America;

In Central America and the West Indies when ratified by one State in the West Indies and two in Central America;

In South America when ratified by four States;

In Africa and Oceania when ratified by two States.

With regard to the High Contracting Parties which may subsequently ratify the treaty, it will come into force at the date of the deposit of the instrument.

The Secretariat will immediately communicate a certificated copy of the instruments of ratification received to all the signatory Powers.

It remains understood that the rights stipulated under Articles 2, 3, 5, 6 and 8 of this treaty will not come into force for each High Contracting Party until the Council has certified that the said High Contracting Party has reduced its armaments in conformity with the present treaty or has adopted the necessary measures to ensure the execution of this reduction, within two years of the acceptance

by the said High Contracting Party of the plan of reduction or limitation of armaments.

ARTICLE 19

The present treaty shall remain in force for a period of fifteen years from the date of its first entry into force.

After this period, it will be prolonged automatically for the States which have not denounced it.

If, however, one of the States referred to in Article 18 denounces the present treaty, the treaty shall cease to exist as from the date on which this denunciation takes effect.

This denunciation shall be made to the Secretariat of the League of Nations, which shall, without delay, notify all the Powers bound by the present treaty.

The denunciation shall take effect twelve months after the date on which notification has been communicated to the Secretariat of the League of Nations.

When the period of fifteen years, referred to in the first paragraph of the present Article, has elapsed, or when one of the denunciations made in the conditions determined above takes place, if operations undertaken in application of Article 5 of the present treaty are in progress, the treaty shall remain in force until peace has been completely re-established.

APPENDIX III

PROTOCOL FOR THE PACIFIC SETTLEMENT OF INTER- NATIONAL DISPUTES

Animated by the firm desire to ensure the maintenance of general peace and the security of nations whose existence, independence or territories may be threatened;

Recognising the solidarity of the members of the international community;

Asserting that a war of aggression constitutes a violation of this solidarity and an international crime;

Desirous of facilitating the complex application of the system provided in the Covenant of the League of Nations for the pacific settlement of disputes between States and of ensuring the repression of international crimes; and

For the purpose of realising, as contemplated by Article 8 of the Covenant, the reduction of national armaments to the lowest point consistent with national safety and the enforcement by common action of international obligations;

The Undersigned, duly authorised to that effect, agree as follows:

ARTICLE I

The signatory States undertake to make every effort in their power to secure the introduction into the Covenant of amendments on the lines of the provisions contained in the following articles.

They agree that, as between themselves, these provisions shall be binding as from the coming into force of the present Protocol and that, so far as they are concerned, the Assembly and the Council of the League of Nations shall thenceforth have power to exercise all the rights and perform all the duties conferred upon them by the Protocol.

ARTICLE 2

The signatory States agree in no case to resort to war either with one another or against a State which, if the occasion arises, accepts all the obligations hereinafter set out, except in case of resistance to acts of aggression or when acting in agreement with the Council or the Assembly of the League of Nations in accordance with the provisions of the Covenant and of the present Protocol.

ARTICLE 3

The signatory States undertake to recognise as compulsory, *ipso facto* and without special agreement the jurisdiction of the Permanent Court of International Justice in the cases covered by paragraph 2 of Article 36 of the Statute of the Court, but without prejudice to the right of any State, when acceding to the special protocol provided for in the said Article and opened for signature on December 16th, 1920, to make reservations compatible with the said clause.

Accession to this special protocol, opened for signature on December 16th, 1920, must be given within the month following the coming into force of the present Protocol.

States which accede to the present Protocol after its coming into force must carry out the above

obligation within the month following their accession.

ARTICLE 4

With a view to render more complete the provisions of paragraphs 4, 5, 6 and 7 of Article 15 of the Covenant, the signatory States agree to comply with the following procedure:

1. If the dispute submitted to the Council is not settled by it as provided in paragraph 3 of the said Article 15, the Council shall endeavour to persuade the parties to submit the dispute to judicial settlement or arbitration.
2. (a) If the parties cannot agree to do so, there shall, at the request of at least one of the parties, be constituted a Committee of Arbitrators. The Committee shall so far as possible be constituted by agreement between the parties.
(b) If within the period fixed by the Council the parties have failed to agree, in whole or in part, upon the number, the names and the powers of the arbitrators and upon the procedure, the Council shall settle the points remaining in suspense. It shall with the utmost possible despatch select in consultation with the parties the arbitrators and their President from among persons who by their nationality, their personal character and their experience, appear to it to furnish the highest guarantees of competence and impartiality.
(c) After the claims of the parties have been formulated, the Committee of Arbitrators, on the request of any party, shall through

the medium of the Council request an advisory opinion upon any points of law in dispute from the Permanent Court of International Justice, which in such case shall meet with the utmost possible despatch.

3. If none of the parties asks for arbitration, the Council shall again take the dispute under consideration. If the Council reaches a report which is unanimously agreed to by the members thereof other than the representatives of any of the parties to the dispute, the signatory States agree to comply with the recommendations therein.
4. If the Council fails to reach a report which is concurred in by all its members, other than the representatives of any of the parties to the dispute, it shall submit the dispute to arbitration. It shall itself determine the composition, the powers and the procedure of the Committee of Arbitrators and, in the choice of the arbitrators, shall bear in mind the guarantees of competence and impartiality referred to in paragraph 2 (*b*) above.
5. In no case may a solution, upon which there has already been a unanimous recommendation of the Council accepted by one of the parties concerned, be again called in question.
6. The signatory States undertake that they will carry out in full good faith any judicial sentence or arbitral award that may be rendered and that they will comply, as provided in paragraph 3 above, with the solutions recommended by the Council. In the event of a State failing to carry out the

above undertakings, the Council shall exert all its influence to secure compliance therewith. If it fails therein, it shall propose what steps should be taken to give effect thereto, in accordance with the provision contained at the end of Article 13 of the Covenant. Should a State in disregard of the above undertakings resort to war, the sanctions provided for by Article 16 of the Covenant, interpreted in the manner indicated in the present Protocol, shall immediately become applicable to it.

7. The provisions of the present article do not apply to the settlement of disputes which arise as the result of measures of war taken by one or more signatory States in agreement with the Council or the Assembly.

ARTICLE 5

The provisions of paragraph 8 of Article 15 of the Covenant shall continue to apply in proceedings before the Council.

If in the course of an arbitration, such as is contemplated by Article 4 above, one of the parties claims that the dispute, or part thereof, arises out of a matter which by international law is solely within the domestic jurisdiction of that party, the arbitrators shall on this point take the advice of the Permanent Court of International Justice through the medium of the Council. The opinion of the Court shall be binding upon the arbitrators, who, if the opinion is affirmative, shall confine themselves to so declaring in their award.

If the question is held by the Court or by the Council to be a matter solely within the domestic jurisdiction of the State, this decision shall not pre-

vent consideration of the situation by the Council or by the Assembly under Article 11 of the Covenant.

ARTICLE 6

If in accordance with paragraph 9 of Article 15 of the Covenant a dispute is referred to the Assembly that body shall have for the settlement of the dispute all the powers conferred upon the Council as to endeavouring to reconcile the parties in the manner laid down in paragraphs 1, 2 and 3 of Article 15 of the Covenant and in paragraph 1 of Article 4 above.

Should the Assembly fail to achieve an amicable settlement:

If one of the parties asks for arbitration, the Council shall proceed to constitute the Committee of Arbitrators in the manner provided in subparagraphs (a), (b) and (c) of paragraph 2 of Article 4 above.

If no party asks for arbitration, the Assembly shall again take the dispute under consideration and shall have in this connection the same powers as the Council. Recommendations embodied in a report of the Assembly, provided that it secures the measures of support stipulated at the end of paragraph 10 of Article 15 of the Covenant, shall have the same value and effect, as regards all matters dealt with in the present Protocol, as recommendations embodied in a report of the Council adopted as provided in paragraph 3 of Article 4 above.

If the necessary majority cannot be obtained, the dispute shall be submitted to arbitration and the Council shall determine the composition, the powers and the procedure of the Committee of Arbitrators as laid down in paragraph 4 of Article 4.

ARTICLE 7

In the event of a dispute arising between two or more signatory States, these States agree that they will not, either before the dispute is submitted to proceedings for pacific settlement or during such proceedings, make any increase of their armaments or effectives which might modify the position established by the Conference for the Reduction of Armaments provided for by Article 17 of the present Protocol, nor will they take any measure of military, naval, air, industrial or economic mobilisation, nor, in general, any action of a nature likely to extend the dispute or render it more acute.

It shall be the duty of the Council in accordance with the provisions of Article 11 of the Covenant, to take under consideration any complaint as to infraction of the above undertakings which is made to it by one or more of the States parties to the dispute. Should the Council be of opinion that the complaint requires investigation, it shall, if it deems it expedient, arrange for enquiries and investigations in one or more of the countries concerned. Such enquiries and investigations shall be carried out with the utmost possible despatch and the signatory States undertake to afford every facility for carrying them out.

The sole object of measures taken by the Council as above provided is to facilitate the pacific settlement of disputes and they shall in no way prejudice the actual settlement.

If the result of such enquiries and investigations is to establish an infraction of the provisions of the first paragraph of the present Article, it shall be the duty of the Council to summon the State or States guilty of the infraction to put an end thereto. Should the State or States in question fail to comply with such summons, the Council shall declare them

to be guilty of a violation of the Covenant or of the present Protocol, and shall decide upon the measures to be taken with a view to end as soon as possible a situation of a nature to threaten the peace of the world.

For the purposes of the present Article decisions of the Council may be taken by a two-thirds majority.

ARTICLE 8

The signatory States undertake to abstain from any act which might constitute a threat of aggression against another State.

If one of the signatory States is of opinion that another State is making preparations for war, it shall have the right to bring the matter to the notice of the Council.

The Council, if it ascertains that the facts are as alleged, shall proceed as provided in paragraphs 2, 4 and 5 of Article 7.

ARTICLE 9

The existence of demilitarised zones being calculated to prevent aggression and to facilitate a definite finding of the nature provided for in Article 10 below, the establishment of such zones between States mutually consenting thereto is recommended as a means of avoiding violations of the present Protocol.

The demilitarised zones already existing under the terms of certain treaties or conventions, or which may be established in future between States mutually consenting thereto, may at the request and at the expense of one or more of the conterminous States, be placed under a temporary or permanent system of supervision to be organised by the Council.

ARTICLE 10

Every State which resorts to war in violation of the undertakings contained in the Covenant or in the present Protocol is an aggressor. Violation of the rules laid down for a demilitarised zone shall be held equivalent to resort to war.

In the event of hostilities having broken out, any State shall be presumed to be an aggressor, unless a decision of the Council, which must be taken unanimously, shall otherwise declare :

1. If it has refused to submit the dispute to the procedure of pacific settlement provided by Articles 13 and 15 of the Covenant as amplified by the present Protocol, or to comply with a judicial sentence or arbitral award or with a unanimous recommendation of the Council, or has disregarded a unanimous report of the Council, a judicial sentence or an arbitral award recognising that the dispute between it and the other belligerent State arises out of a matter which by international law is solely within the domestic jurisdiction of the latter State; nevertheless, in the last case the State shall only be presumed to be an aggressor if it has not previously submitted the question to the Council or the Assembly, in accordance with Article 11 of the Covenant.
2. If it has violated provisional measures enjoined by the Council for the period while the proceedings are in progress as contemplated by Article 7 of the present Protocol.

Apart from the cases dealt with in paragraphs 1 and 2 of the present Article, if the Council does not at once succeed in determining the aggressor, it

shall be bound to enjoin upon the belligerents an armistice, and shall fix the terms, acting, if need be, by a two-thirds majority and shall supervise its execution.

Any belligerent which has refused to accept the armistice or has violated its terms shall be deemed an aggressor.

The Council shall call upon the signatory States to apply forthwith against the aggressor the sanctions provided by Article 11 of the present Protocol, and any signatory State thus called upon shall thereupon be entitled to exercise the rights of a belligerent.

ARTICLE 11

As soon as the Council has called upon the signatory States to apply sanctions, as provided in the last paragraph of Article 10 of the present Protocol, the obligations of the said States, in regard to the sanctions of all kinds mentioned in paragraphs 1 and 2 of Article 16 of the Covenant, will immediately become operative in order that such sanctions may forthwith be employed against the aggressor.

Those obligations shall be interpreted as obliging each of the signatory States to co-operate loyally and effectively in support of the Covenant of the League of Nations, and in resistance to any act of aggression, in the degree which its geographical position and its particular situation as regards armaments allow.

In accordance with paragraph 3 of Article 16 of the Covenant the signatory States give a joint and several undertaking to come to the assistance of the State attacked or threatened, and to give each other mutual support by means of facilities and reciprocal exchanges as regards the provision of raw

materials and supplies of every kind, openings of credits, transport and transit, and for this purpose to take all measures in their power to preserve the safety of communications by land and by sea of the attacked or threatened State.

If both parties to the dispute are aggressors within the meaning of Article 10, the economic and financial sanctions shall be applied to both of them.

ARTICLE 12

In view of the complexity of the conditions in which the Council may be called upon to exercise the functions mentioned in Article 11 of the present Protocol concerning economic and financial sanctions, and in order to determine more exactly the guarantees afforded by the present Protocol to the signatory States, the Council shall forthwith invite the economic and financial organisations of the League of Nations to consider and report as to the nature of the steps to be taken to give effect to the financial and economic sanctions and measures of co-operation contemplated in Article 16 of the Covenant and in Article 11 of this Protocol.

When in possession of this information, the Council shall draw up through its competent organs:

1. Plans of action for the application of the economic and financial sanctions against an aggressor State;
2. Plans of economic and financial co-operation between a State attacked and the different States assisting it;

and shall communicate these plans to the Members of the League and to the other signatory States.

ARTICLE 13

In view of the contingent military, naval and air sanctions provided for by Article 16 of the Covenant and by Article 11 of the present Protocol, the Council shall be entitled to receive undertakings from States determining in advance the military, naval and air forces which they would be able to bring into action immediately to ensure the fulfilment of the obligations in regard to sanctions which result from the Covenant and the present Protocol.

Furthermore, as soon as the Council has called upon the signatory States to apply sanctions, as provided in the last paragraph of Article 10 above, the said States may, in accordance with any agreements which they may previously have concluded, bring to the assistance of a particular State, which is the victim of aggression, their military, naval and air forces.

The agreements mentioned in the preceding paragraph shall be registered and published by the Secretariat of the League of Nations. They shall remain open to all States Members of the League which may desire to accede thereto.

ARTICLE 14

The Council shall alone be competent to declare that the application of sanctions shall cease and normal conditions be re-established.

ARTICLE 15

In conformity with the spirit of the present Protocol, the signatory States agree that the whole cost of any military, naval or air operations undertaken for the repression of an aggression under the terms of the Protocol, and reparation for all losses

suffered by individuals, whether civilians or combatants, and for all material damage caused by the operations of both sides, shall be borne by the aggressor State up to the extreme limit of its capacity.

Nevertheless, in view of Article 10 of the Covenant, neither the territorial integrity nor the political independence of the aggressor State shall in any case be affected as the result of the application of the sanctions mentioned in the present Protocol.

ARTICLE 16

The signatory States agree that in the event of a dispute between one or more of them and one or more States which have not signed the present Protocol and are not Members of the League of Nations, such non-Member States shall be invited, on the conditions contemplated in Article 17 of the Covenant, to submit, for the purpose of a pacific settlement, to the obligations accepted by the States signatories of the present Protocol.

If the State so invited, having refused to accept the said conditions and obligations, resorts to war against a signatory State, the provisions of Article 16 of the Covenant, as defined by the present Protocol, shall be applicable against it.

ARTICLE 17

The signatory States undertake to participate in an International Conference for the Reduction of Armaments which shall be convened by the Council and shall meet at Geneva on Monday, June 15th, 1925. All other States, whether Members of the League or not, shall be invited to this Conference.

In preparation for the convening of the Conference, the Council shall draw up with due regard to the undertakings contained in Articles 11 and 13

of the present Protocol a general programme for the reduction and limitation of armaments, which shall be laid before the Conference and which shall be communicated to the Governments at the earliest possible date, and at the latest three months before the Conference meets.

If by May 1st, 1925, ratifications have not been deposited by at least a majority of the permanent Members of the Council and ten other Members of the League, the Secretary-General of the League shall immediately consult the Council as to whether he shall cancel the invitations or merely adjourn the Conference to a subsequent date to be fixed by the Council so as to permit the necessary number of ratifications to be obtained.

ARTICLE 18

Wherever mention is made in Article 10, or in any other provision of the present Protocol, of a decision of the Council, this shall be understood in the sense of Article 15 of the Covenant, namely that the votes of the representatives of the parties to the dispute shall not be counted when reckoning unanimity or the necessary majority.

ARTICLE 19

Except as expressly provided by its terms, the present Protocol shall not affect in any way the rights and obligations of Members of the League as determined by the Covenant.

ARTICLE 20

Any dispute as to the interpretation of the present Protocol shall be submitted to the Permanent Court of International Justice.

ARTICLE 21

The present Protocol, of which the French and English texts are both authentic, shall be ratified.

The deposit of ratifications shall be made at the Secretariat of the League of Nations as soon as possible.

States of which the seat of government is outside Europe will be entitled merely to inform the Secretariat of the League of Nations that their ratification has been given; in that case, they must transmit the instrument of ratification as soon as possible.

So soon as the majority of the permanent Members of the Council and ten other Members of the League have deposited or have effected their ratifications, a *procès-verbal* to that effect shall be drawn up by the Secretariat.

After the said *procès-verbal* has been drawn up, the Protocol shall come into force as soon as the plan for the reduction of armaments has been adopted by the Conference provided for in Article 17.

If within such period after the adoption of the plan for the reduction of armaments as shall be fixed by the said Conference, the plan has not been carried out, the Council shall make a declaration to that effect; this declaration shall render the present Protocol null and void.

The grounds on which the Council may declare that the plan drawn up by the International Conference for the Reduction of Armaments has not been carried out, and that in consequence the present Protocol has been rendered null and void, shall be laid down by the Conference itself.

A signatory State which, after the expiration of the period fixed by the Conference, fails to comply

with the plan adopted by the Conference, shall not be admitted to benefit by the provisions of the present Protocol.

In faith whereof the Undersigned, duly authorised for this purpose, have signed the present Protocol.

DONE at Geneva, on the second day of October, nineteen hundred and twenty-four, in a single copy, which will be kept in the archives of the Secretariat of the League and registered by it on the date of its coming into force.

APPENDIX IV

*Memorandum communicated on February 9, 1925,
by the German Ambassador in Paris to M. Herriot,
President of the Council and Minister for
Foreign Affairs.*

(Strictly Confidential.)

In considering the various forms which a pact of security might at present take, one could proceed from an idea cognate to that from which the proposal made in December 1922 by Dr. Cuno sprang. Germany could, for example, declare her acceptance of a pact by virtue of which the Powers interested in the Rhine—above all, England, France, Italy and Germany—entered into a solemn obligation for a lengthy period (to be eventually defined more specifically) *vis-à-vis* the Government of the United States of America as trustee not to wage war against a contracting State. A comprehensive arbitration treaty, such as has been concluded in recent years between different European countries, could be amalgamated with such a pact. Germany is also prepared to conclude analogous arbitration treaties providing for the peaceful settlement of juridical and political conflicts with all other States as well.

Furthermore, a pact expressly guaranteeing the present territorial status ("gegenwärtiger Besitzstand") on the Rhine would also be acceptable to Germany. The purport of such a pact could be, for instance, that the interested States bound themselves reciprocally to observe the inviolability of the present territorial status on the Rhine; that

they furthermore, both jointly and individually ("conjointement et séparément") guaranteed the fulfilment of this obligation; and, finally, that they would regard any action running counter to the said obligation as affecting them jointly and individually. In the same sense, the treaty States could guarantee in this pact the fulfilment of the obligation to demilitarise the Rhineland which Germany has undertaken in Articles 42 and 43 of the Treaty of Versailles. Again, arbitration agreements of the kind defined above between Germany and all those States which were ready on their side to accept such agreements could be combined with such a pact.

To the examples set out above still other possibilities of solution could be linked. Furthermore, the ideas on which these examples are based could be combined in different ways. Again, it would be worth considering whether it would not be advisable to so draft the security pact that it would prepare the way for a world convention to include all States along the lines of the "Protocole pour le Règlement pacifique de Différends internationaux" drawn up by the League of Nations, and that, in case such a world convention was achieved, it could be absorbed by it or worked into it.

APPENDIX V

THE LOCARNO TREATIES

FULL TEXT

THE FINAL PROTOCOL

The following is the text of the Final Protocol:

The representatives of the German, Belgian, British, French, Italian, Polish, and Czechoslovak Governments, who have met at Locarno from October 5 to 16, 1925, in order to seek by common agreement means for preserving their respective nations from the scourge of war and for providing for the peaceful settlement of disputes of every nature which might eventually arise between them,

Have given their approval to the draft treaties and conventions which respectively affect them and which, framed in the course of the present conference, are mutually interdependent:—

Treaty between Germany, Belgium, France, Great Britain, and Italy (Annex A).

Arbitration convention between Germany and Belgium (Annex B).

Arbitration convention between Germany and France (Annex C).

Arbitration convention between Germany and Poland (Annex D).

Arbitration convention between Germany and Czechoslovakia (Annex E).

These instruments, hereby initialled “ne varietur,” will bear to-day’s date, the representatives of

the interested parties agreeing to meet in London on December 1 next, to proceed during the course of a single meeting to the formality of the signature of the instruments which affect them.

The Minister for Foreign Affairs of France states that as a result of the draft arbitration treaties mentioned above, France, Poland, and Czechoslovakia have also concluded at Locarno draft agreements in order reciprocally to assure to themselves the benefit of the said treaties. These agreements will be duly deposited at the League of Nations, but M. Briand holds copies forthwith at the disposal of the Powers represented here.

The Secretary of State for Foreign Affairs of Great Britain proposes that, in reply to certain requests for explanations concerning Article 16 of the Covenant of the League of Nations presented by the Chancellor and the Minister for Foreign Affairs of Germany, a letter, of which the draft is similarly attached (Annex F) should be addressed to them at the same time as the formality of signature of the above-mentioned instruments takes place. This proposal is agreed to.

The representatives of the Governments represented here declare their firm conviction that the entry into force of these treaties and conventions will contribute greatly to bring about a moral relaxation of the tension between nations, that it will help powerfully towards the solution of many political or economic problems in accordance with the interests and sentiments of peoples, and that in strengthening peace and security in Europe it will hasten on effectively the disarmament provided for in Article 8 of the Covenant of the League of Nations.

They undertake to give their sincere co-operation to the work relating to disarmament already

undertaken by the League of Nations and to seek the realization thereof in a general agreement.

Done at LOCARNO, October 16, 1925.

(Signed) LUTHER, STRESEMANN, EMILE VANDERVELDE, ARISTIDE BRIAND, AUSTEN CHAMBERLAIN, BENITO MUSSOLINI, AL. SKRZYNSKI, EDUARD BÉNÈS.

THE SECURITY PACT

The text of the Treaty of Mutual Guarantee (Annex A of the Final Protocol) reads:—

The President of the German Reich; His Majesty the King of the Belgians; the President of the French Republic and His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the seas, Emperor of India; His Majesty, the King of Italy;

Anxious to satisfy the desire for security and protection which animates the peoples upon whom fell the scourge of the war of 1914-1918;

Taking note of the abrogation of the treaties for the neutralization of Belgium, and conscious of the necessity of ensuring peace in the area which has so frequently been the scene of European conflicts;

Animated also with the sincere desire of giving to all the signatory Powers concerned supplementary guarantees within the framework of the Covenant of the League of Nations and the treaties in force between them;

Have determined to conclude a treaty with these objects, and have appointed as their plenipotentiaries;—

Who, having communicated their full powers, found in good and due form, have agreed as follows:—

ARTICLE I

The High Contracting Parties collectively and severally guarantee, in the manner provided in the following articles, the maintenance of the territorial *status quo* resulting from the frontiers between Germany and Belgium and between Germany and France and the inviolability of the said frontiers as fixed by or in pursuance of the Treaty of Peace signed at Versailles on June 28, 1919, and also the observance of the stipulations of Articles 42 or 43 of the said Treaty concerning the demilitarised zone.

ARTICLE 2

Germany and Belgium, and also Germany and France, mutually undertake that they will in no case attack or invade each other or resort to war against each other.

This stipulation shall not, however, apply in the case of:

1. The exercise of the right of legitimate defence, that is to say resistance to a violation of the undertaking contained in the previous paragraph or to a flagrant breach of Articles 42 or 43 of the said Treaty of Versailles, if such breach constitutes an unprovoked act of aggression and by reason of the assembly of armed forces in the demilitarized zone immediate action is necessary
2. Action in pursuance of Article 16 of the Covenant of the League of Nations.
3. Action as the result of a decision taken by the Assembly or by the Council of the League of Nations or in pursuance of Article 15, paragraph 7, of the Covenant of the League

of Nations, provided that in this last event the action is directed against a State which was the first to attack.

ARTICLE 3

In view of the undertakings entered into in Article 2 of the present treaty, Germany and Belgium and Germany and France undertake to settle by peaceful means and in the manner laid down herein all questions of every kind which may arise between them and which it may not be possible to settle by the normal methods of diplomacy.

Any question with regard to which the parties are in conflict as to their respective rights shall be submitted to judicial decision, and the parties undertake to comply with such decision.

All other questions shall be submitted to a conciliation commission. If the proposals of this commission are not accepted by the two parties, the question shall be brought before the Council of the League of Nations, which will deal with it in accordance with Article 15 of the Covenant of the League.

The detailed arrangements for effecting such peaceful settlement are the subject of special agreements signed this day.

ARTICLE 4

1. If one of the High Contracting Parties alleges that a violation of Article 2 of the present treaty or a breach of Article 42 or 43 of the Treaty of Versailles has been or is being committed, it shall bring the question at once before the Council of the League of Nations.
2. As soon as the Council of the League of Nations is satisfied that such violation or breach

has been committed, it will notify its finding without delay to the Powers signatory of the present Treaty, who severally agree that in such case they will each of them come immediately to the assistance of the Power against whom the act complained of is directed.

3. In case of a flagrant violation of Article 2 of the present Treaty or of a flagrant breach of Article 42 or 43 of the Treaty of Versailles by one of the High Contracting Parties, each of the other Contracting Parties hereby undertakes immediately to come to the help of the Party against whom such a violation or breach has been directed as soon as the said Power has been able to satisfy itself that this violation constitutes an unprovoked act of aggression and that by reason either of the crossing of the frontier or of the outbreak of hostilities or of the assembly of armed forces in the demilitarized zone immediate action is necessary. Nevertheless the Council of the League of Nations, which will be seized of the question in accordance with the first paragraph of this article, will issue its findings, and the High Contracting Parties undertake to act in accordance with the recommendations of the Council provided that they are concurred in by all the members other than the representatives of the Parties which have engaged in hostilities.

ARTICLE 5

The provisions of Article 3 of the present Treaty are placed under the guarantee of the High Contracting Parties as provided by the following stipulations:—

If one of the Powers referred to in Article 3 re-

fuses to submit a dispute to peaceful settlement or to comply with an arbitral or judicial decision and commits a violation of Article 2 of the present Treaty or a breach of Article 42 or 43 of the Treaty of Versailles, the provisions of Article 4 shall apply.

Where one of the Powers referred to in Article 3, without committing a violation of Article 2 of the present Treaty or a breach of Article 42 or 43 of the Treaty of Versailles, refuses to submit a dispute to peaceful settlement or to comply with an arbitral or judicial decision, the other Party shall bring the matter before the Council of the League of Nations, and the Council shall propose what steps shall be taken; the High Contracting Parties shall comply with these proposals.

ARTICLE 6

The provisions of the present Treaty do not affect the rights and obligations of the High Contracting Parties under the Treaty of Versailles or under arrangements supplementary thereto, including the agreements signed in London on August 30, 1924.

ARTICLE 7

The present treaty, which is designed to ensure the maintenance of peace and is in conformity with the Covenant of the League of Nations, shall not be interpreted as restricting the duty of the League to take whatever action may be deemed wise and effectual to safeguard the peace of the world.

ARTICLE 8

The present treaty shall be registered at the League of Nations in accordance with the Cove-

nant of the League. It shall remain in force until the Council, acting on a request of one or other of the High Contracting Parties notified to the other signatory Powers three months in advance, and voting at least by a two-thirds majority, decides that the League of Nations ensures sufficient protection to the High Contracting Parties; the treaty shall cease to have effect on the expiration of a period of one year from such decision.

ARTICLE 9

The present treaty shall impose no obligation upon any of the British Dominions, or upon India, unless the Government of such Dominion, or of India, signifies its acceptance thereof.

ARTICLE 10

The present treaty shall be ratified and the ratifications shall be deposited at Geneva in the archives of the League of Nations as soon as possible. It shall enter into force as soon as all the ratifications have been deposited and Germany has become a member of the League of Nations.

The present treaty, done in a single copy, will be deposited in the archives of the League of Nations, and the Secretary-General will be requested to transmit certified copies to each of the High Contracting Parties.

In faith whereof the above-mentioned Plenipotentiaries have signed the present treaty.

Done at LOCARNO the Sixteenth of October, 1925.

LUTHER, STRESEMANN, EMILE VANDERVELDE,
A. BRIAND, AUSTEN CHAMBERLAIN, BENITO MUS-
SOLINI.

ARBITRATION TREATIES

GERMAN-BELGIAN

The following is the text of the Arbitration Convention between Germany and Belgium:—

The undersigned duly authorized, charged by their respective Governments to determine the methods by which, as provided in Article 3 of the Treaty concluded this day between Germany, Belgium, France, Great Britain and Italy, a peaceful solution shall be attained of all questions which cannot be settled amicably between Germany and France, have agreed as follows:—

PART I

ARTICLE I

All disputes of every kind between Germany and Belgium with regard to which the parties are in conflict as to their respective rights, and which it may not be possible to settle amicably by the normal methods of diplomacy, shall be submitted for decision either to an arbitral tribunal or to the Permanent Court of International Justice, as laid down hereafter. It is agreed that the disputes referred to above include in particular those mentioned in Article 13 of the Covenant of the League of Nations.

This provision does not apply to disputes arising out of events prior to the present convention and belonging to the past.

Disputes for the settlement of which a special procedure is laid down in other conventions in force between Germany and Belgium shall be settled in conformity with the provisions of those conventions.

ARTICLE 2

Before any resort is made to arbitral procedure or to procedure before the Permanent Court of International Justice, the dispute may, by agreement between the parties, be submitted with a view to amicable settlement to a permanent international commission styled the Permanent Conciliation Commission, constituted in accordance with the present convention.

ARTICLE 3

In the case of a dispute the occasion of which, according to the municipal law of one of the parties, falls within the competence of the national courts of such party, the matter in dispute shall not be submitted to the procedure laid down in the present convention until a judgment with final effect has been pronounced, within a reasonable time, by the competent national judicial authority.

ARTICLE 4

The Permanent Conciliation Commission mentioned in Article 2 shall be composed of five members who shall be appointed as follows, that is to say: the German Government and the Belgian Government shall each nominate a commissioner chosen from among their respective nationals and shall appoint, by common agreement, the three other commissioners from among the nationals of third Powers; these three commissioners must be of different nationalities and the German and Belgian Governments shall appoint the president of the commission from among them.

The commissioners are appointed for three years, and their mandate is renewable. Their ap-

pointment shall continue until their replacement, and in any case until the termination of the work in hand at the moment of the expiry of their mandate. Vacancies which may occur as a result of death, resignation, or any other cause shall be filled within the shortest possible time in the manner fixed for the nominations.

ARTICLE 5

The Permanent Conciliation Commission shall be constituted within three months from the entry into force of the present convention. If the nomination of the commissioners to be appointed by common agreement should not have taken place within the said period, or, in the case of the filling of a vacancy, within three months from the time when the seat falls vacant, the President of the Swiss Confederation shall, in the absence of other agreement, be requested to make the necessary appointments.

ARTICLE 6

The Permanent Conciliation Commission shall be informed by means of a request addressed to the President by the two parties acting in agreement or, in the absence of such agreement, by one or other of the parties. The request, after having given a summary account of the subject of the dispute, shall contain the invitation to the Commission to take all necessary measures with a view to arrive at an amicable settlement. If the request emanates from only one of the parties, notification thereof shall be made without delay to the other party.

ARTICLE 7

Within 15 days from the date when the German Government or the Belgian Government shall have brought a dispute before the Permanent Conciliation Commission either party may, for the examination of the particular dispute, replace its commissioner by a person possessing special competence in the matter.

The party making use of this right shall immediately inform the other party; the latter shall in that case be entitled to take similar action within 15 days from the date when the notification reaches it.

ARTICLE 8

The task of the Permanent Conciliation Commission shall be to elucidate questions in dispute, to collect with that object all necessary information by means of inquiry or otherwise, and to endeavour to bring the parties to an agreement. It may, after the case has been examined, inform the parties of the terms of settlement which seem suitable to it, and lay down a period within which they are to make their decision.

At the close of its labours the Commission shall draw up a report stating, as the case may be, either that the parties have come to an agreement and if need arises terms of the agreement, or that it has been impossible to effect a settlement.

The labours of the Commission must, unless the parties otherwise agree, be terminated within six months from the day on which the committee shall have been notified of the dispute.

ARTICLE 9

Failing any special provision to the contrary, the Permanent Conciliation Commission shall lay

down its own procedure, which in any case must provide for both parties being heard. In regard to inquiries the Commission, unless it decides unanimously to the contrary, shall act in accordance with the provisions of Chapter 3 (International Commissions of Inquiry) of the Hague Convention of October 18th, 1907, for the pacific settlement of international disputes.

ARTICLE 10

The Permanent Conciliation Commission shall meet, in the absence of agreement by the parties to the contrary, at a place selected by its president.

ARTICLE 11

The labours of the Permanent Conciliation Commission are not public except when a decision to that effect has been taken by the Commission with the consent of the parties.

ARTICLE 12

The parties shall be represented before the Permanent Conciliation Commission by agents, whose duty it shall be to act as intermediary between them and the Commission; they may, moreover, be assisted by counsel and experts appointed by them for that purpose, and request that all persons whose evidence appears to them useful should be heard. The Commission on its side shall be entitled to request oral explanations from the agents, counsel, and experts of the two parties, as well as from all persons it may think useful to summon with the consent of their Government.

ARTICLE 13

Unless otherwise provided in the present convention the decisions of the Permanent Conciliation Commission shall be taken by a majority.

ARTICLE 14

The German and Belgian Governments undertake to facilitate the labours of the Permanent Conciliation Commission, and particularly to supply it to the greatest possible extent with all relevant documents and information, as well as to use the means at their disposal to allow it to proceed in their territory and in accordance with their law to the summoning and hearing of witnesses or experts, and to visit the localities in question.

ARTICLE 15

During the labours of the Permanent Conciliation Commission each commissioner shall receive salary, the amount of which shall be fixed by agreement between the German and Belgian Governments, each of which shall contribute an equal share.

ARTICLE 16

In the event of no amicable agreement being reached before the Permanent Conciliation Commission the dispute shall be submitted by means of a special agreement either to the Permanent Court of International Justice under the conditions and according to the procedure laid down by its Statute or to an arbitral tribunal under the conditions and according to the procedure laid down by the

Hague Convention of October 18, 1907, for the pacific settlement of international disputes.

If the parties cannot agree on the terms of the special agreement after a month's notice one or other of them may bring the dispute before the Permanent Court of International Justice by means of an application.

PART II

ARTICLE 17

All questions on which the German and Belgian Governments shall differ without being able to reach an amicable solution by means of the normal methods of diplomacy the settlement of which cannot be attained by means of a judicial decision as provided in Article 1 of the present convention, and for the settlement of which no procedure has been laid down by other conventions in force between the parties, shall be submitted to the Permanent Conciliation Commission, whose duty it shall be to propose to the parties an acceptable solution and in any case to present a report.

The procedure laid down in Articles 6-15 of the present convention shall be applicable.

ARTICLE 18

If the two parties have not reached an agreement within a month from the termination of the labours of the Permanent Conciliation Commission the question shall, at the request of either party, be brought before the Council of the League of Nations, which shall deal with it in accordance with Article 15 of the Covenant of the League.

GENERAL PROVISIONS

ARTICLE 19

In any case, and particularly if the question on which the parties differ arises out of acts already committed or on the point of commission, the Conciliation Commission, or, if the latter has not been notified thereof, the arbitral tribunal or the Permanent Court of International Justice, acting in accordance with Article 41 of its Statute, shall lay down within the shortest possible time the provisional measures to be adopted. It shall similarly be the duty of the Council of the League of Nations, if the question is brought before it, to ensure that suitable provisional measures are taken. The German and Belgian Governments undertake respectively to accept such measures, to abstain from all measures likely to have a repercussion prejudicial to the execution of the decision or to the arrangements proposed by the Conciliation Commission or by the Council of the League of Nations, and in general to abstain from any sort of action whatsoever which may aggravate or extend the dispute.

ARTICLE 20

The present convention continues applicable as between Germany and Belgium, even when other Powers are also interested in the dispute.

ARTICLE 21

The present convention shall be ratified. Ratifications shall be deposited at Geneva with the League of Nations at the same time as the ratifications of the treaty concluded this day between Ger-

many, Belgium, France, Great Britain, and Italy. It shall enter into and remain in force under the same conditions as the said treaty.

The present convention, done in a single copy, shall be deposited in the archives of the League of Nations, the Secretary-General of which shall be requested to transmit certified copies to each of the two contracting Governments.

LOCARNO, October 16, 1925.

GERMANY AND FRANCE

The Arbitration Convention between Germany and France (Annex C of the Final Protocol) is identical *mutatis mutandis* with the arbitration between Germany and Belgium.

GERMANY AND CZECHOSLOVAKIA

The Arbitration Treaty between Germany and Czechoslovakia reads:—

The President of the German Reich and the President of the Czechoslovak Republic, equally resolved to maintain peace between Germany and Czechoslovakia by assuring the peaceful settlement of differences which might arise between the two countries, declaring that respect for the rights established by treaty or resulting from the law of nations is obligatory for international tribunals, agreeing to recognize that the rights of a State cannot be modified save with its consent, and considering that sincere observance of the methods of peaceful settlement of international disputes permits of resolving without recourse to force questions which may become the cause of division between States, have decided to embody in a treaty their common intentions in this respect and have named as their plenipotentiaries the following:—

who, having exchanged their full powers, found in good and due form, are agreed upon the following articles:—

PART I

ARTICLE I

All disputes of every kind between Germany and Czechoslovakia with regard to which the parties are in conflict as to their respective rights, and which it may not be possible to settle amicably by the normal methods of diplomacy, shall be submitted for decision either to an arbitral tribunal or to the Permanent Court of International Justice, as laid down hereafter. It is agreed that the disputes referred to above include in particular those mentioned in Article 13 of the Covenant of the League of Nations.

This provision does not apply to disputes arising out of events prior to the present treaty and belonging to the past.

Disputes for the settlement of which a special procedure is laid down in other conventions in force between the High Contracting Parties shall be settled in conformity with the provisions of those conventions.

ARTICLE 2

Before any resort is made to arbitral procedure or to procedure before the Permanent Court of International Justice, the dispute may, by agreement between the parties, be submitted with a view to amicable settlement, to a permanent international commission styled the Permanent Conciliation Commission, constituted in accordance with the present treaty.

ARTICLE 3

In the case of a dispute the occasion of which, according to the municipal law of one of the parties, falls within the competence of the national Courts of such party, the matter in dispute shall not be submitted to the procedure laid down in the present treaty until a judgment with final effect has been pronounced, within a reasonable time, by the competent national judicial authority.

ARTICLE 4

The Permanent Conciliation Commission mentioned in Article 2 shall be composed of five members who shall be appointed as follows, that is to say: The High Contracting Parties shall each nominate a commissioner chosen from among their respective nationals and shall appoint, by common agreement, the three other commissioners from among the nationals of third Powers; these three commissioners must be of different nationalities and the High Contracting Parties shall appoint the president of the commission from among them.

The commissioners are appointed for three years, and their mandate is renewable. Their appointment shall continue until their replacement, and, in any case, until the termination of the work in hand at the moment of the expiry of their mandate.

Vacancies which may occur as a result of death, resignation, or any other cause shall be filled within the shortest possible time in the manner fixed for the nominations.

ARTICLE 5

The Permanent Conciliation Commission shall be constituted within three months from the entry

into force of the present convention. If the nomination of the Commissioners to be appointed by common agreement should not have taken place within the said period, or, in the case of the filling of a vacancy, within three months from the time when the seat falls vacant, the President of the Swiss Confederation shall, in the absence of other agreement, be requested to make the necessary appointments.

ARTICLE 6

The Permanent Conciliation Commission shall be informed by means of a request addressed to the President by the two parties acting in agreement or, in the absence of such agreement, by one or other of the parties.

The request, after having given a summary account of the subject of the dispute, shall contain the invitation to the Commission to take all necessary measures with a view to arrive at an amicable settlement. If the request emanates from only one of the parties, notification thereof shall be made without delay to the other party.

ARTICLE 7

Within 15 days from the date when one of the High Contracting Parties shall have brought a dispute before the Permanent Conciliation Commission either party may, for the examination of the particular dispute, replace its commissioner by a person possessing special competence in the matter. The party making use of this right shall immediately inform the other party; the latter shall in that case be entitled to take similar action within 15 days from the date when the notification reaches it.

ARTICLE 8

The task of the Permanent Conciliation Commission shall be to elucidate questions in dispute, to collect with that object all necessary information by means of inquiry or otherwise, and to endeavour to bring the parties to an agreement. It may, after the case has been examined, inform the parties of the terms of settlement which seem suitable to it, and lay down a period within which they are to make their decision.

At the close of its labours the Commission shall draw up a report stating, as the case may be, either that the parties have come to an agreement and if need arises terms of the agreement, or that it has been impossible to effect a settlement.

The labours of the Commission must, unless the parties otherwise agree, be terminated within six months from the day on which the Committee shall have been notified of the dispute.

ARTICLE 9

Failing any special provision to the contrary, the Permanent Conciliation Commission shall lay down its own procedure, which in any case must provide for both parties being heard. In regard to inquiries the Commission, unless it decides unanimously to the contrary, shall act in accordance with the provisions of Chapter 3 (International Commissions of Inquiry) of the Hague Convention of October 18, 1907, for the pacific settlement of international disputes.

ARTICLE 10

The Permanent Conciliation Commission shall meet, in the absence of agreement by the parties to the contrary, at a place selected by its president.

ARTICLE 11

The labours of the Permanent Conciliation Commission are not public except when a decision to that effect has been taken by the Commission with the consent of the parties.

ARTICLE 12

The parties shall be represented before the Permanent Conciliation Commission by agents, whose duty it shall be to act as intermediary between them and the Commission; they may, moreover, be assisted by counsel and experts appointed by them for that purpose, and request that all persons whose evidence appears to them useful should be heard. The Commission on its side shall be entitled to request oral explanations from the agents, counsel, and experts of the two parties, as well as from all persons it may think useful to summon with the consent of their Government.

ARTICLE 13

Unless otherwise provided in the present treaty the decisions of the Permanent Conciliation Commission shall be taken by a majority.

ARTICLE 14

The High Contracting Parties undertake to facilitate the labours of the Permanent Conciliation Commission, and particularly to supply it to the greatest possible extent with all relevant documents and information, as well as to use the means at their disposal to allow it to proceed in their territory and in accordance with their law to the summoning and hearing of witnesses or experts, and to visit the localities in question.

ARTICLE 15

During the labours of the Permanent Conciliation Commission each Commissioner shall receive salary, the amount of which shall be fixed by agreement between the High Contracting Parties, each of which shall contribute an equal share.

ARTICLE 16

In the event of no amicable agreement being reached before the Permanent Conciliation Commission the dispute shall be submitted by means of a special agreement either to the Permanent Court of International Justice under the conditions and according to the procedure laid down by its Statute or to an arbitral tribunal under the conditions and according to the procedure laid down by the Hague Convention of October 18, 1907, for the pacific settlement of international disputes.

If the parties cannot agree on the terms of the special agreement after a month's notice one or other of them may bring the dispute before the Permanent Court of International Justice by means of an application.

PART II

ARTICLE 17

All questions on which the German and Czechoslovak Governments shall differ without being able to reach an amicable solution by means of the normal methods of diplomacy the settlement of which cannot be attained by means of a judicial decision as provided in Article 1 of the present treaty, and for the settlement of which no procedure has been

laid down by other conventions in force between the parties, shall be submitted to the Permanent Conciliation Commission, whose duty it shall be to propose to the parties an acceptable solution and in any case to present a report. The procedure laid down in Articles 6-15 of the present Treaty shall be applicable.

ARTICLE 18

If the two parties have not reached an agreement within a month from the termination of the labours of the Permanent Conciliation Commission the question shall, at the request of either party, be brought before the Council of the League of Nations, which shall deal with it in accordance with Article 15 of the Covenant of the League.

GENERAL PROVISIONS

ARTICLE 19

In any case, and, particularly if the question on which the parties differ arises out of acts already committed or on the point of commission, the Conciliation Commission or, if the latter has not been notified thereof, the arbitral tribunal or the Permanent Court of International Justice, acting in accordance with Article 41 of its Statute, shall lay down within the shortest possible time the provisional measures to be adopted. It shall similarly be the duty of the Council of the League of Nations, if the question is brought before it, to ensure that suitable provisional measures are taken. The High Contracting Parties undertake respectively to accept such measures, to abstain from all measures likely to have a repercussion prejudicial to the execution of the decision or to the arrangements pro-

posed by the Conciliation Commission or by the Council of the League of Nations, and in general to abstain from any sort of action whatsoever which may aggravate or extend the dispute.

ARTICLE 20

The present treaty continues applicable as between the High Contracting Parties even when other Powers are also interested in the dispute.

ARTICLE 21

The present treaty, which is in conformity with the Covenant of the League of Nations, shall not in any way affect the rights and obligations of the High Contracting Parties as members of the League of Nations and shall not be interpreted as restricting the duty of the League to take whatever action may be deemed wise and effectual to safeguard the peace of the world.

ARTICLE 22

The present treaty shall be ratified. Ratifications shall be deposited at Geneva with the League of Nations at the same time as the ratifications of the treaty concluded this day between Germany, Belgium, France, Great Britain, and Italy.

It shall enter into and remain in force under the same conditions as the said treaty.

The present treaty, done in a single copy, shall be deposited in the archives of the League of Nations, the Secretary-General of which shall be requested to transmit certified copies to each of the High Contracting Parties.

LOCARNO, October 16, 1925.

GERMANY AND POLAND

The Arbitration Treaty between Germany and Poland is identical, *mutatis mutandis*, with that between Germany and Czechoslovakia.

GERMANY AND THE LEAGUE

ALLIES' COLLECTIVE NOTE

The following is the text of the draft collective Note to Germany in regard to Article XVI. of the Covenant of the League of Nations (Annex F of the Final Protocol) :—

The German Delegation has requested certain explanations in regard to Article XVI. of the Covenant of the League of Nations.

We are not in a position to speak in the name of the League, but in view of the discussions which have already taken place in the Assembly and in the Commissions of the League of Nations, and after the explanations which have been exchanged between ourselves, we do not hesitate to inform you of the interpretation which, in so far as we are concerned, we place upon Article XVI.

In accordance with that interpretation the obligations resulting from the said article on the members of the League must be understood to mean that each State member of the League is bound to co-operate loyally and effectively in support of the Covenant and in resistance to any act of aggression to an extent which is compatible with its military situation and takes its geographical position into account.

FRANCE AND HER EASTERN
ALLIES

TREATIES WITH POLAND AND CZECHOSLOVAKIA

The text of the treaty between France and Poland follows:—

The President of the French Republic and the President of the Republic of Poland, equally desirous to see Europe spared from war by a sincere observance of the undertakings arrived at this day with a view to the maintenance of general peace, have resolved to guarantee their benefits to each other reciprocally by a treaty concluded within the framework of the Covenant of the League of Nations and of the treaties existing between them.

And have to this effect nominated for their plenipotentiaries . . . who, after having exchanged their full powers, found in good and due form, have agreed on the following provisions:—

ARTICLE I

In the event of Poland or France suffering from a failure to observe the undertakings arrived at this day between them and Germany with a view to the maintenance of general peace, France, and reciprocally Poland, acting in application of Article XVI. of the Covenant of the League of Nations, undertake to lend each other immediate aid and assistance, if such a failure is accompanied by an unprovoked recourse to arms.

In the event of the Council of the League of Nations, when dealing with a question brought before it in accordance with the said undertakings, being unable to succeed in making its report accepted by all its members other than the representatives of the parties to the dispute, and in the event of Po-

land or France being attacked without provocation, France, or reciprocally Poland, acting in application of Article XV., paragraph 7, of the Covenant of the League of Nations, will immediately lend aid and assistance.

ARTICLE 2

Nothing in the present treaty shall affect the rights and obligations of the High Contracting Parties as members of the League of Nations, or shall be interpreted as restricting the duty of the League to take whatever action may be deemed wise and effectual to safeguard the peace of the world.

ARTICLE 3

The present treaty shall be registered with the League of Nations, in accordance with the Covenant.

ARTICLE 4

The present treaty shall be ratified. The ratifications will be deposited at Geneva with the League of Nations at the same time as the ratification of the treaty concluded this day between Germany, Belgium, France, Great Britain, and Italy, and the ratification of the treaty concluded at the same time between Germany and Poland.

It will enter into force and remain in force under the same conditions as the said treaties.

The present treaty done in a single copy will be deposited in the archives of the League of Nations, and the Secretary-General of the League will be requested to transmit certified copies to each of the High Contracting Parties.

Done at LOCARNO the 16th October, 1925.

The treaty between France and Czechoslovakia is identical *mutatis mutandis* with the treaty between France and Poland.

INDEX

A

d'Abernon, Lord, 183
 Afghanistan, 220
 Aggressive wars, prevention of,
 121-138, 160, 170-172
 Alexander, the Great, 8
 —, II. (Russia), 227
 Allied Note on Disarmament,
 176, 186, 188, 189, 191, 196,
 198, 199-201, 204
 Allied Note to German Dele-
 gates at Versailles, 147, 148,
 151, 233
 Alsace-Lorraine, 240
 Amery, L. C. M., 174
 Anglo-phobia, 244, 245, 246
 Arbitration
 industrial, 69, 70
 international, 121, 122, 127
 Aristotle, 6-8, 40, 102
 Asia, 162, 217, 220-222, 229,
 235, 282
 Association, rights of, 37, 109,
 111
 Atheism, 204, 206, 279
 Austin, John, 17
 Australia, 162, 166, 167
 Austria, 153, 154, 215, 221, 231,
 270

B

Balance of power, 243, 244, 249,
 270
 Baldwin, Stanley, 144, 148
 Balfour, Lord, 174
 Baltic States, 103, 191
 Belgium, 146, 231
 Bénès, Eduard, 134, 171, 195, 333

Bentham, Jeremy, 10, 16-18, 21
 Birth-control, 90-98
 Bismarck, 188
 Bodin, Jean, 99, 103
 Bolshevism, 101, 209, 221, 225,
 237
 Bourgeoisie, 62, 66, 220
 Bowley, A. T., 49
 Brazil, 257-259, 262, 263
 Briand, Aristide, 195, 203, 251-
 254, 333
 British Empire, 222-226, 233,
 234, 242-244, 274
 Buchanan, Sir George, 219
 Bulgaria, 231
 Bureaucracy, 50, 51
 Burke, Edmund, 19

C

Canada, 126-127
 Capital-levy, 32, 33
 Carnegie, Andrew, 48
 Castlereagh, Lord, 144, 243
 Cecil, Lord Hugh, 103
 Chamberlain, Austen (Sir), 114-
 139, 174, 175, 183, 184, 192,
 195, 196, 245, 248, 251-256,
 333
 Charlemagne, 239
 Chicherin, M., 195, 223, 229, 235
 China, 220, 235
 Christianity, 230, 237, 276-284
 Church, 5, 7, 27, 280
 Churchill, Winston, 174
 Cicero, 10, 11, 99
 Coblenz Zone, 145, 189
 Cologne Zone, 145, 147, 148, 186,
 192, 193, 204, 233

- Common Law, 13
 Commonwealth of Europe, 241
Communis utilitas, 16
 Communism, 34, 36, 210, 220, 221, 277
 Compulsory Arbitration, 69, 70
 Comte, August, 19
 Conference of Ambassadors, 147
 Constantinople, 215, 217, 218, 222
 Coolidge, President, 248
 Co-operative movement, 273
 Copartnership, 67, 68
 Corfu Affair, 245
 Coudenhove-Kalergi, Count, 238
 Cracow, 153
 Cumberland, Richard, 16
 Curzon, Lord, 174
 Czecho-Slovakia, 127, 190, 195, 202
- D
- Danzig, 149-154
 Darwin, Charles, 19
 Dawes Scheme, 147, 148, 189, 197, 275
 de Leon, Quinones, Señor, 253, 255
 Democracy
 political, 63
 industrial, 61-64
 Denmark, 34
 Destitution, 105-108
 Dictatorship of Proletariat, 52
 Diplomacy, modern, 179
 Disarmament, 160, 168, 191, 198, 231, 249, 251, 267, 268, 271, 273
 Distribution of wealth, 48-50, 277
 Divine law, 11
 Divine right, 5, 99
 Divine will, 7
 Dostoevsky, 207
 Drug traffic, 29
 Duguit, Leon, 109, 110
 Duisburg, 190
 Dusseldorf, 190
 Duties, legal system based on, 108, 109
- E
- East Prussia, 151, 156
 Economic laws, interference with, 31-38, 83, 84
 Egypt, 219, 245
 Eight-hour day, 73-75
 Elizabeth, Queen, 106
 Entente
 Anglo-French, 183, 206
 Little, 231, 240
 Epicurus, 10
 Epicureanism, 8-14, 16
 Esthonia, 127, 222, 228
 Eugenics, 90-98
 Eurasia, 235, 237
 Evacuation of occupied territory, 145, 233
 Evolution, 19, 280, 281
- F
- Factions, 37
 Faith, 280
 Fascism, 36
 Finland, 28, 34, 103, 104, 127, 192, 222, 227, 228, 272
 France
 air force, 212, 242
 army, 191, 192, 230
 compulsory arbitration, 69
 foreign policy, 241
 General Staff, 162
 joint industrial organization, 65, 66
 League of Nations, 127
 Note to Germany, 186, 187
 reconstruction, 66
 security, 149, 159, 186, 231, 268
 trade disputes, 71, 72

G

General Will, 15, 16, 99, 100
 Geneva Protocol, 171-179, 183, 244
 Germany
 aggression, 159, 232, 242
 census (1925), 237
 disarmament, 191, 194, 198
 German people, 158, 188, 190, 232, 239
 imperialism, 20
 Memorandum of Feb. 9, 1925, 182-190 (See Appendix IV)
 new diplomacy, 188, 190, 270
 police force, recruiting and military training, 146
 press, 182, 183, 190, 194, 195, 232, 253, 254
 Rhineland, 144-149, 159, 185, 186, 189
 security, 185, 188, 189, 201
 spirit of revenge, 190, 192, 232
 Great Britain
 air force (home defense), 176, 212, 241, 242
 anti-British propaganda, 204, 220, 224-226, 233, 234, 271
 compulsory arbitration, 69
 distribution of wealth, 48-50
 eight-hour day, 73-75
 factory laws, 73, 74
 joint industrial organization, 64-66
 Labour Government, 33, 162
 limitation of birth rate, 94, 97
 minimum-wage, 76
 railways, 56
 reconstruction, 66
 security, 166, 188, 245
 taxation, effects of, 88, 89
 Trade Union Acts, 70-72, 225
 Greece, 3, 90
 Green, T. H., 14

Grotius, Hugo, 11, 12
 Guarantee Pact, 187, 189

H

Hague Conference, 117
 Happiness, principle of, 6-8, 9, 10, 16, 19, 21-23, 104, 105
 Hedonism, 13, 104
 Hegel, G. W. T., 19
 Herriot, Edouard, 163, 172, 182, 186, 329
 Historical School, 19, 24
 Hobbes, Thomas, 12, 13
 Holland, 127
 Home Rule for Ireland, 178
 Houghton, A. B., 248, 251, 267, 273
 Hungary, 231
 Hutcheson, Francis, 16

I

Ideal good, 6, 7, 9, 10
 Imperialism, 3, 19, 210, 213, 219, 221, 226
 India, 217, 220, 222
 Industrial distribution, 42-44, 115, 116
 Industrial ownership, 40-60
 Inge, Dean, 90
 Inter-Allied debts, 89
 International law, 12, 115, 116, 117, 137, 141, 142, 174, 179
 Ireland, 178
 Italy, 34-36, 127
 Ivan, the Terrible, 207

J

Japan, 127, 140, 141, 235, 236
 Jellinek, Georg, 24
 Joint Industrial Councils, 65
 Joint Industrial organization, 61-68

Jugo-Slavia, 240
Jus naturæ, 7, 9-13, 15, 102

K

Kellogg, Frank, 250
 Kjellen, Rudolf, 19

L

Labour Exchanges, 85
 La Roche, M., 254
 Lasalle, Ferdinand, 278
 Laski, H. J., 109, 110
 Latvia, 127, 222, 228
 League of Nations (See Appendix I)
 Covenant, 114-143, 156-172,
 179-182, 199, 200, 227, 229,
 238, 241, 249, 269, 270
 Resolution of U. S. Senate
 (Mar. 19, 1920) in regard
 to, 125
 Lenin, V. T. O., 208, 217, 278
Lex regia, 97
 Liberalism, 5, 17
 Lithuania, 127, 222, 228
 Little Entente, 231, 240
 Locarno Treaties (See Appendix V)
 Locke, John, 12, 19, 24
 Lowell, Lawrence, 140, 141
 Luther, Herr, 194

M

Macaulay, Lord, 49
 Macassey, Sir Lynden, 61
 Macdonald, Ramsay, 163-165
 Machiavelli, 4, 5
 Mainz Zone, 145
 Managerial improvements, 51
 Marcus Aurelius, 9
 Marx, Karl, 278
 Materialism, 13, 230, 276-
 284

Maximum prices, 32
 Maximum wage, 77
 Mechanical improvements, 51
 Mediation, International, 121-
 138
 Mello-Franco, Senhor, 257
 Mental defectives, 93
 Metternich, 243
 Middle Ages, 4, 5, 11
 Middle-class government, 7, 34
 Military Agreements, 132, 162,
 163
 Military Control Commission,
 146, 147
 Military sanctions, 132-138, 165
 Mill, James, 10, 17
 Mill, J. S., 10, 17, 18
 Minimum wage, 75-78
 Minorities, protection of, 156
 Montesquieu, 19
 Morality, decline of, 276, 278
 Moscow, 227, 234
 Mosul Question, 252
 Mussolini, Signor, 36, 175, 194,
 333

N

Napoleon, 212, 239
 Nationalist theory of State, 19,
 20
 Nationalization, 34-37, 40-60
 Natural law, 7, 9-15, 102
 Natural right, 5, 9, 10, 12-14, 16,
 19
 Nero, 279
 Nicholas I, 218
 Nicholas II, 219
 Nietzsche, F., 21, 22, 239
 Norway, 27, 28, 29, 69, 178

O

Oligarchy, 102
 Over-production, 81, 84
 Oxenstierna, Axel, 247

P

- Pan-European movement, 238-240
 Pan-German movement, 239, 240
 Paris, 133
 Peace Conference, 1919, 73, 117, 118
 Pericles, 3
 Persia, 127, 128, 220
 Peter the Great, 212, 221, 226, 227
 Testament of Peter the Great, 207, 212, 213-217, 219, 220
 Plato, 3, 5-7
 Pleasure, 6, 10, 104, 105
 Poland, 127, 149, 150-159, 190, 202, 222, 235, 236, 250, 253, 257, 272
 Politis, M., 171
 Poor Law, 80, 106
 Portugal, 27, 28
 Poznan, 158
 Prague, 133
 Pricing
 laws of, 31, 32, 42-44
 wages, 83, 87
 Professional Representation, 111-113
 Profit sharing, 67, 68
 Prohibition, 27-30
 Protection of manual workers, 73-75, 106-108
 Protection of Minorities, 156
 Protestant Reformation, 5
 Protocol for the Pacific Settlement of International Disputes, 117, 133-138, 159, 164, 171-177, 181-183 (See Appendix III)
 Prussia, 154

Q

- Quantitative theory of labor, 50

R

- Racial improvement, 90-98
 Radek, M., 204
 Real wages, 49, 50, 81
 Reconstruction, 66, 203, 246, 271
 Relief works, 82-85
 Reparations, 271
 Reparations Commission, 145, 147
 Representative sovereignty, 99-102
 Rhineland, 144-149, 159, 185, 186, 189, 270
 Ricardo, David, 17
 Rights, 5, 9, 10, 12-14, 16, 18, 105-108
 Rousseau, J. J., 14-16, 19, 24, 99, 100
 Ruhr, 157, 160, 189, 233
 Ruhrort, 190
 Rum Treaty, 29
 Russia, 34, 36, 52, 68, 101, 103, 139, 150, 175, 204, 207-229, 271, 272, 278
 aggression, 159, 191, 210, 211, 213-216, 272
 air fleet, 212
 Bolshevism, 208, 209
 civilization, 36, 207, 228
 diplomacy, 222
 disarmament, 198
 imperialism, 209-211, 219, 221
 menace, 196-226, 271
 propaganda, 213-216, 219, 221, 223, 224, 233, 234-237, 267
 Revolution, 34, 211
 ships, 211
 social system, 34
 Soviet, 204-206, 209, 217, 221, 233
 Testament of Peter the Great, 213-216

- Rumania, 222

S

- Saint Paul, 276
 Saint Thomas Aquinas, 11
 Savigny, K. von, 19
 Scandanavian Countries, 56, 90
 Scientific management, 67
 Secret Treaties, 124, 131, 132
 Security, 160, 161, 168, 170, 183, 196, 269, 271
 Security Pact, 193, 194, 196, 197, 203, 204
 Separate alliances, 263
 Sienkiewicz, 230
 Sexual system, 91, 92
 Smith, Adam, 17
 Social Contract, 5, 11, 14-16, 20, 99
 Social Equilibrium, 25, 30, 31, 33-39, 53, 101, 104, 107
 Socialism, 5, 32-36, 40, 41, 46, 47, 50, 102-104, 108, 109, 277, 281
 Socrates, 7
 Sovereignty, 99-113, 114, 116, 117, 119-143
 Spain, 27, 28, 127, 262
 Spencer, Herbert, 17, 19, 21, 22, 24
 Spinoza, B., 12, 13, 102
 "Splendid isolation," 242
 State
 activity in general, 24-39
 birth-control, 90-98
 care of children, 95, 96
 control of industry, 60, 61
 credit, 56, 57
 enterprise, 55-59
 interference with industry, 40-89
 interference with liberty, 17, 18, 20-32, 37, 38, 90-93, 97
 moral considerations, 26, 103
 object of State, 21-39
 prevention of destitution, 106-108

State, *Cont.*

- World State, 3, 8, 210
 Sthamer, Dr., 192
 Statutory law, 13
 Stoicism, 3, 8, 9, 11, 13, 14, 24
 Stresemann, G., 168, 183, 188, 189, 190, 194, 203
 Strzynski, Count, 195, 333
Summum bonum, 14, 21, 22
 Supreme Council, 156, 191
 Sweating, 76-78
 Sweden, 34, 127, 165, 166, 178, 259, 260
 Switzerland, 32, 33
 Syphilis, 93

T

- Taxation, 32, 33, 88, 89, 94
 Temperley, 153
 Thomas, J. H., 225
 Tibet, 220
 Tolstoy, 207
 Torun, 153
 Trade depression, 78-82, 87, 94, 95, 107, 116
 Trade disputes, 68-72
 Trade Union Congress, 84
 Traffic in arms, drugs, etc., 142
 Transport of troops, 123, 124
 Treaties
 Draft Treaty, 163-167
 registration by League of Nations, 123, 131, 132
 Treaties of Assistance, 159, 160
 Treaty of Mutual Assistance, 133, 160-171 (See Appendix II)
 Treaty of Mutual Guarantee, 199, 204
 Treaty of Neuilly, 180
 Treaty of Rapallo, 236, 267
 Treaty of St. Germain, 180

Treaties, *Cont.*

Treaty of Trianon, 180

Treaty of Versailles, 118, 119,

144, 145, 147, 148, 153, 156,

157, 159, 180, 185, 187, 188,

191-193, 269, 270

Trentini incident, 258

Tuberculosis, 93

Turgenev, 207

Turkey, 218, 220

Tyranny, 102

Tyrol, 240

Universal suffrage, 63

Upper Silesia, 150, 155, 156, 157

Utilitarianism, 10, 16-18, 23

V

Vandervelde, M., 195, 333

Vatican, 258

Versailles Conference, 118

Virtue, 5, 6, 8-10

Vistula, 253

Volonte generale *vide* general
will, 15

U

W

Unemployment, 78-89, 107,
108relief of, 87, 88, 94, 106-
108United States of America, 26,
29, 62, 63, 118, 119, 125,
126, 139-141, 175Senate Resolution of (Mar.
19, 1920), 125, 235, 250,
274

Wall Street, 275

War criminals, 231, 232

Warsaw, 133, 153

Wealth, 6, 46-50, 94, 95, 97, 104-
106

William of Ockham, 16

Wilson, President, 118, 159

Working classes, standard of,
40, 48-50, 52, 53, 60

Working time, 73-75, 86, 87, 115

33

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